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HO CHI MINH CITY: 10 YEARS

BY

NGUYEN VAN LINH

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HO CHI MINH CITY: 10 YEARS

Hanoi THANH PHO HO CHI MINH: 10 NAM in Vietnamese April 1985
pp 15-22, 59-353

[Excerpts from Book "Ho Chi Minh City: 10 Years" by Nguyen
Van Linh, general secretary of the Vietnamese Communist Party,
30,200 copies, 353 pages printed April 1985]

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NGUYEN VAN LINH BOOK ON SAIGON

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Introduction

Resolution 01 of the conference of the Political Bureau of the Party Central Committee, which was held in September 1982, assessed the position of Ho Chi Minh City in the mission of building and defending the fatherland as follows:

"Ho Chi Minh City is a major economic center and one of our country's international trade and tourist centers. Ho Chi Minh City is second only to Hanoi politically. The working people of Ho Chi Minh City have always been ardently patriotic, have a resolute revolutionary tradition, and, at the same time, are very dynamic and creative in production and commerce.

Economically, the city is a major industrial center and has rather developed industrial production capabilities, especially its consumer goods production industry. Its industrial workers and handicraft workers have good vocational skills, it has large and talented scientific-technical forces, and has an infrastructure to serve the development of industry, exporting and importing, and tourism.

"The city is a large maritime, land, and air communications hub which has easy access to the provinces in Nam Bo, southern Trung Bo, and the southern Central Highlands. It has a very favorable position and conditions with regard to international commerce, especially with Cambodia, Laos, and the Southeast Asian countries.

"An especially important matter is that the city's economy is tied in with a rich agricultural, forestry, and fishing area (the old B2 zone) with developed commodity production and great capabilities with regard to labor and land, and provides the city with a rich rear area with regard to grain, food products, agricultural products, raw materials, etc.

"With especially favorable objective conditions that no other province in our country has, Ho Chi Minh City has very good prospects with regard to the development of exports, tourism, and international services. It is capable of, along with the provinces in the region, quickly forming an industrial-commercial economic structure and contributing very importantly to the common economic undertakings of our country and the neighbor countries Laos and Cambodia.

"With regard to national defense, today Ho Chi Minh City plays an important role in the great rear area of our nation and of southern Indochina."

In his concluding remarks during a work session of the standing committee of the Ho Chi Minh City party committee (at the end of September 1980), General Secretary Le Duan said:

"Ho Chi Minh City has a special position with regard to the nation as a whole, especially with regard to the Nam Bo provinces. The course of history created there an industrial small-industry handicrafts capability with a skilled labor force which can produce a variety of products that are very necessary for expanding commodity relations between the city and the rural areas, and can produce products that meet international tastes. No other place in our country has such capabilities, but realizing those capabilities will not be easy and will take time."

Addressing the Third Congress of the Municipal Party Organization in November 1983, the General Secretary stressed:

"We are endeavoring to, within the near future, develop Ho Chi Minh City into a city that is strong in all regards, a socialist city with a modern industrial-agricultural structure and advanced culture and science, a civilized, modern city with stature in Southeast Asia."

The above are evaluations by our party of the position, capabilities, and prospects of Ho Chi Minh City, and also manifest the confidence of the entire nation in the recently liberated city. They arose from viewing the city on the basis of the most decisive factors: the revolutionary nature and tradition of the working class and laboring people, added to a definite material-technical industrial base, and the special characteristics, i.e. unique strengths, of the city under the geographical and historical conditions under which it was founded and existed. No matter what the goals of old-style and new-style colonialism were in developing the city, it belongs to the working people, who are following the socialist path, the precious heritage of our entire nation.

From another aspect, Ho Chi Minh City, like all other cities in our country, are results of the people's labor. With regard to scale, the Ho Chi Minh City of today is the result of the labor of the people all over the nation when the Ben Nghe area was still desolate, over the course of many centuries of diligent labor and accumulation. The city's revolutionary struggle was a common undertaking of the people of the entire nation, during which the 1936-1939 democratic movement, the Nam Ky uprising, the strategic raids of the 1968 Tet period, and the great victory of the spring of 1975 were dazzling peaks. The process of the transformation from Saigon to Ho Chi Minh City was a process of sacrifice by hundreds of thousands of people and comrades, not all of whom were from the city. It was a product of the entire city and a source of pride for all Vietnamese.

After the great victory of the spring of 1975, under the direct leadership and care of the Party Central Committee and the government, with the support of localities all over the nation, especially those in the Mekong Delta, eastern Nam Bo, southern Trung Bo, and in the southern Central Highlands, and with the

organization of international aid by the Soviet Union, the socialist nations, and other friendly nations, the city gradually overcame its difficulties, gradually developed economically and culturally, stabilized some aspects of the people's living conditions, and contributed to the economic-cultural and security-national defense of the region and the nation. The city's progress cannot be separated from the common progress of the nation and the actual situation during the 10 years since the liberation have only further consolidated the organic ties, not only with regard to morale and sentiment but also with regard to the vital material significance of the city, as a component, to the socialist Vietnamese fatherland as a whole.

Immediately after the nation was completely liberated the problem of evaluating the city was posed, in sum, in two points: the value of its material-technical bases, and the city's position and capability to carry out socialist transformation.

There was a reason for that wavering. Objectively, the municipality of Saigon-Cho Lon-Gia Dinh, from the time when it became a modern political, economic, and cultural center of the nation in the mid-19th Century to the great victory of the spring of 1975, there were only 29 brief days of freedom after the August Revolution. After more than 100 consecutive years under the yoke of colonialism, especially after the last 21 years under the yoke of neocolonialism, when the entire nation was experiencing fierce warfare. Of course, the morale, ideology, and way of thinking of the city's people could not but have been profoundly affected by the policies of the enemy. Some became decadent and even criminal.

Colonialism, especially neocolonialism, because of the needs of rule and aggression, equipped the city with certain material-technical bases, some of them rather modern. But like the whole economy of the South in the past, the city of Saigon breathed from the oxygen tank of aid and war and was dependent to a very high degree on the United States and the Western capitalist nations. The apparent prosperity of the city did not truthfully reflect its production capabilities. Its industrial base was incomplete and the city's outstanding characteristic was that it was a place of consumption.

However, there is another way of looking at Ho Chi Minh City.

Any nation that advances to socialism must inevitably begin with a society that is not socialist. The specific conditions of each nation differ. Some countries have attained a high level of industrialization, some countries are still at the agricultural level, and other countries are still at the nomad level. The people who build socialism are people who have been oppressed and exploited, and who have lived under the old regime. They became enlightened under the circumstances of the old society. That national and class enlightenment was the basic premise for ensuring that they have socialist consciousness, especially under the conditions of the party of the working class having taken form at an early date and leading the struggle of the oppressed and exploited masses. With regard to people who previously did not have conditions for becoming enlightened, the new regime must carry out that task. Continuing to cultivate and raise the level of the broad masses who were influenced by the old society is a task which requires much time by all

vanguard parties when they gain political power, but in viewing the city's workers one cannot consider only the negative, limited, and ephemeral aspects, which leads to exaggerating the authority of the national and class enemies, reduces the moral strength of the masses, and very irrationally mixes up the stands, aspirations, and sentiments of the rulers and the ruled. In Saigon, as in all other parts of our country, the historical truth includes not only oppression and poisoning by the reactionary rulers but also acts against that yoke of oppression and poisoning by the popular masses, for different reasons and to different degrees. If that had not been the case, there could not have existed the resolute revolutionary movement in the city on 30 April.

No matter how venomous the poison spread by the enemy, the desire by the city's people for independence, freedom, and happiness could not be shaken. Neocolonialism was wily, but the plot of the Chinese feudalists to assimilate us over the course of thousands of years failed, so how could neocolonialism, which existed for only 21 years, succeed?

The national liberation revolution in the nation in general and in the city particularly, and the socialist revolution during the past 10 years, were able to win victory because our party has long understood that fundamental viewpoint of Marx. Belief in the revolutionary nature of the masses--the prayer book of all resolute, pure cadres and party members--is a weapon that has led us all the way along a path full of fierce challenges. During the past 10 years we have known that everyone in the city has had to overcome many difficulties, both public and private, some objective, some caused by the enemy, and some caused by deficiencies of the revolution, but they have kept their belief and continued to advance. With regard to the people of Saigon, that has been a very difficult test which the great majority of the city's people have passed with flying colors!

The city's material-technical bases inherited by the city from the past were insufficient to meet the requirements of building socialism in both spheres: a main-force industry with large-scale production and an economic system intended to serve the lives of the people. But we would be extremely irrational if we would hold the reactionary regimes responsible for not fully equipping our socialism! The problem is to accept that heritage as a starting point. No matter what, we have something when we begin to fulfill the mission of socialist industrialization. We remember the teaching of Marx: "It need not be said that people are not free to select their production forces--forces which are the basis for all of the history of mankind--because all production forces are forces that have been attained, i.e. the product of past activities. Therefore, the production forces are results of the actual capabilities of mankind." (Footnote 1) (Letter to P.V. Annencov in "On the Economic Laws of Socialism," Su That Publishing House p 13)

During the past 10 years we have not built many factories, but have primarily used the old installations, which is not very rational or good, and only half of the equipment's capacity is utilized. But the city has contributed more than 30 percent of the nation's total industrial output. We know that now some of those installations were outmoded and broken down. Even so, if they are well utilized the city will be capable of contributing even more.

The 10 years of fulfilling the new strategic mission have been 10 years of national construction combined with maintaining security and national defense in an especially strategic area. We have learned many lessons. It has not been merely the absolute numbers or arrows on the city's economic-social charts that have encouraged us; we are enthusiastic because the things that have been accomplished have proved that the party's viewpoints and lines toward the city are entirely correct. Our failure and mistakes have resulted from failure to fully understand those Marxist-Leninist viewpoints and lines.

Economically, all efforts of the city's party organization and people have been concentrated on using the existing facilities, carrying out socialist transformation in order to make better use of them, and especially paying attention to production to fulfill obligations to the nation and improve the people's living conditions. The initial successes of the municipal party organization are essentially successes with regard to consciousness, correct evaluation of the city's position, from the source of its formation, in an active status, and under the new circumstances; correct evaluation of the city's people, and adhering to the mission of a ruling party organization: being concerned with developing production and serving the interests of the people.

Although 10 years is a very brief period, it is sufficient to help the city's party organization and people affirm their role in the socialist revolution, an undertaking that is not only appropriate to the aspirations of our people but is also based on the objective premises which converged in the city's history.

Saigon, which had been a place where the country-stealers and traitors set up the headquarters of their ruling apparatus, and was a place from which one of the largest wars of aggression in history was commanded, has gradually been transformed into an economic, cultural, and scientific-technical center, a city of peace in which the working people are the masters: Ho Chi Minh City. From a consumer city that was highly dependent on foreign countries, during the past 10 years Ho Chi Minh City has undergone a significant transformation. The dominant feature of the city at present is that it is a city which has become a place for work. Although parasitic powers still exist and not all irrationalities have been eliminated from the distribution of social wealth, the tendency of the city is toward the attainment of wholesome standards.

The city's party organization and people know that their efforts during the the past 10 years have not been entirely worthy of the people who went before them, the generations that have sacrificed one after another, the guidance and care of the central echelon, the aid of the people all over the nation, and our friends all over the world. The party organization, which was forged and matured primarily in the national democratic revolution, has now become a ruling party which has assumed the important responsibility of guiding and managing a large industrial city with an extremely complicated social situation. All cadres and party members of the city during the past 10 years have studied as they worked, groped, and experimented, so success and mishaps usually go hand-in-hand. That is difficult to avoid.

The city bearing the name of Uncle Ho, the ultimate honor, has a very heavy responsibility. Living, working, fighting, and studying according to the model of Uncle Ho is always a slogan that reminds the city, from which Uncle Ho went abroad more than 70 years ago and will always be part of the city.

The entire nation, the central echelon, and our international friends hope to visit the city.

In order to be equal to that honor and responsibility--the honor and responsibility of the city and the entire nation toward the past, the present, and the future--on the occasion of the 10th anniversary of the liberation the party organization must have a unified way of looking at things that have been accomplished, with a strict attitude of self-criticism.

This small book has been written with that goal in mind.

PART TWO

THE NEW STRATEGIC MISSION

Chapter 1

The Initial Material Capital

The economic-social situation of Saigon before the liberation was closely tied in with the developmental process of the political situation from the mid-19th Century, when the French colonialists occupied Saigon, to April 1975, a period of 113 years. That process can be divided into four principal phases.

a. In the mid-19th Century, Saigon became the capital of Nam Ky, a French colony. It succeeded the district of Gia Dinh, which had been the capital of the Luc Tinh region during the Nguyen period. In implementing their colonial rule system, the French colonialists regarded Nam Ky as a kind of French province and concentrated their construction in Saigon on a number of industrial bases to serve their rule and economic development of all of Indochina, and to create a basis for the French imperialists to have a foothold in the Far East. Examples were the Cho Quan electricity generating plant, the water works, the Ba Son factory (1864), the Binh Tay alcohol plant (1901), the BGI beer and soft drinks factory, the Mic (1929) and Bastos (1936) cigarette factories, the Caric ship repair shop (1938), a number of electric machinery installations, such as J. Compte and Sicom, the Labbe and Michelin rubber companies, the Vinh Hoi fertilizer factory, the Socony oil company at Nha Be, etc. Such infrastructure projects as the Nha Rong port (1862), the Saigon-My Tho railway line, and bus and trolley car lines, which were undertaken just after the French occupied Nam Ky, were later developed into a transportation network that extended all over Indochina and corresponded to the economic development requirements and the technical level at that time.

By 1945, after 83 years under French rule, Saigon was the leading city in Indochina and was called the "Pearl of the Orient," although its material-technical bases were poor in comparison to Shanghai, Hong Kong, and Manila.

During the period between 1945 and 1954 the French did not undertake much additional construction because the Vietnam war was causing increasing difficulties for the French economy and because the political situation in Vietnam was unstable.

Under the French colonial regime, the native bourgeois class developed slowly. After World War I the situation improved a little, but not to any great extent. Prior to 1954 there were only a small number of Vietnamese capitalists, such as Truong Van Ben (a soap enterprise), Tri Do (a foundry), Nguyen Van Kieu (river transportation), etc. Exporting and importing were monopolies of the French and foreign capitalists. The commercial and rice milling sectors were dominated by the Chinese.

Even so, the native bourgeois forces took form on a certain scale, i.e. created a certain secondary contradiction which the U.S. imperialists later exploited.

That economic-social situation resulted primarily from the French colonialist policy of only exploiting the natural resources and workers of the colonies, not investing in the construction of large industrial installations in the colonies, and in part from the fact that the scientific-technical level of the world in general and of French capitalism in particular had not yet developed to a high degree, in comparison to the period after World War II. However, at that time the city was still an economic center of the entire Nam Bo region and of southern Indochina. Agricultural products flowed into the city from the region and from it industrial goods spread out to the provinces. It was the leading export-import center in Indochina. In addition to the water-borne transportation network that extended to all the surrounding province, major road arteries connected Saigon with Hanoi via the coastal provinces of Vietnam, and to the Central Highlands, lower and upper Laos, Phnom Penh, etc. In addition to its role of being the center of French colonial rule of Nam Ky and of all of Indochina, with the palace of the Governor General of Indochina, Saigon was also a major cultural and scientific center.

b. In mid-1954 the U.S. imperialists kicked out the French and established their neocolonialism in the South. The Vietnamese bourgeois class, which during the period of French dependency had been "sick and weak," was elevated by the Americans so that it could serve as the social basis of the neocolonial regime. It was called the bourgeois class of South Vietnam, but most of its members were refugees and Chinese. The U.S.-Diem "land reform" policy of that time was in fact a policy of transforming the landlord class into bourgeoisie.

Prior to 1960 the neocolonial regime was temporarily stable, the economy of the South increased by an average of 5 percent a year, 340,000 tons of rice were exported via the port of Saigon every year, and prices changed little. During the 1958-1959 2-year period foreign capitalists and its environs. Industrial installations, primarily light industry and pharmaceutical plants with rather modern technology, such as the Roussel, Vina-Specia, and Hoechst pharmaceutical companies, the Coteco light-bulb company, the Videco battery company, etc., were built. The bourgeois class in the South controlled a rather large amount of real estate and dominated economic activities in Saigon and the southern provinces. An especially important role was played by the Chinese comprador capitalists and the relatives of Ngo Dinh Diem.

The small industry-handicrafts sector also developed well, with the nation's skilled artisans concentrated in Saigon, which was affected in an objective way by the wave of emigrants in 1954, who further enriched the variety and quality of consumer goods, artistic goods, and export goods.

That was the "golden age" of neocolonialism. The United States hoped to make Saigon a glass showcase which displayed "product models" in Southeast Asia in accordance with the formula of U.S. aid, Japanese technology, and local labor. At that time the United States hoped that with a few hundred million dollars, with a few hundred U.S. advisers, and with a native ruling apparatus, the South would become an American state, an annexation at lowest cost in the history of aggression.

After the simultaneous uprising movement in 1960, the economic situation began to decline. Rice exports gradually fell, to the extent that after 1964 it was necessary to import more than 500,000 tons of rice a year. According to statistics of the Saigon puppet regime, the economic growth rate in the South was only 2.4 percent, while the population growth rate was 4 percent. The cost of living index increased 63 percent. The "special war" strategy could not save the U.S.-puppet regime.

c. After 1965, a special characteristic of the economic-social situation in the South was that a wartime status replaced the temporary stability of the previous period, when the situation forced "limited war" strategy: the United States simultaneously waged a war of aggression and directly guided the process of the over-all economic-social development of Saigon and the temporarily occupied areas in the South.

The period of the last years of the 1960's signified the continued serious decline the U.S.-puppet economy. Saigon lived primarily by means of U.S. aid, which increased from 300 to 700 million dollars a year. Within a 10-year period, from 1960 to 1970, according to statistics, economic aid totaled more than 4 billion dollars, primarily consumer goods, grain, POL, raw materials for industry, small industry, and handicrafts, etc. Military aid amounted to 8 billion dollars (for the puppet army), not including hundreds of millions of dollars spent on the U.S. expeditionary force and vassal troops, totaling more than 500,000 regulars, in the South. Most of those expenditures were made in Saigon. The production situation developed slowly. Industry amounted for only 5 percent, and the service sector accounted for 50 percent, of the gross national output. Export-import activities increased greatly. In two central precincts alone--precincts 1 and 2---there were thousands of private export-import companies. Between 20 to 45 billion puppet dong were printed every year. In 1966 the Saigon puppet regime had to devalue its currency. The general offensive and uprising of Tet Mau Than in 1968 struck another heavy blow against the regime's economy, which was already in a state of decline.

But also during that time the bureaucratic-militaristic comprador capitalist class developed rather rapidly, and especially did not develop in accordance with the ordinary laws of classic capitalism. High-ranking officers, "politicians," and officials of sectors related to politics, economics, security, etc., grew rich and became bourgeoisie within only a few years by seeking all ways to siphon off aid funds, participating in business deals, accepting bribes, and dealing in drugs, blackmarketing, local warlordism, robbery, prostitution, etc.

d. After 1971 the economic-social situation underwent a new transformation. After recovering from the damage done in 1968 the Americans and puppets, implementing the "Vietnamization" strategy, carried out "accelerated pacification" and encroachment in rural areas. In the city the puppet regime opened the door for foreign capitalists to invest in the South, while also drafting plans for large-scale economic development, including a post-war economic plan that looked forward to the year 2000.

A Saigon-Bien Hoa industrial zone was formed, in which there were concentrated 80 percent of the industrial production capacity of the South, with modern machinery and equipment provided by the capitalists. In the 1971-1972 2-year period alone the amount of capital invested was 10 times greater than the amount invested during the previous 10 years. By 1974 Saigon-Gia Dinh had more than in 38,000 large and small industrial, small industry, and handicraft installations, including 766 corporations and 8,548 private industrial installations. A number of primary sectors had rather large capacities: the textile sector had a production capacity of 240 million meters a year; the machinery sector assembled 130 types of machinery and equipment and 5 million bicycles and motorbicycles, and produced a variety of consumer products; the food processing industrial sector was capable of producing 170 million cans of milk a year, 250 million liters of soft drinks and beer a year, and 500 million packages of cigarettes a year, of milling rice and processing feed amounting to 200,00 tons year, which was sufficient to serve both the city and the region; the chemical sector had the capacity to produce the various kinds of basic chemicals and acids (32,000 tons a year), soda (20,000 tons a year), and soap and soap powder (88,000 tons a year); the glass industry sector was capable of producing 1,700 tons of glass tubing, 53,000 tons of glass bottles and jars, etc.; the wood and paper processing sector had an annual production capacity of 149,000 cubic meters of lumber, 1.2 million tons of plywood, and 50,000 tons of paper of all kinds; and the printing and publishing sector was capable of printing 111,4000 tons of paper a year. There were hundreds of large enterprises with modern machinery and thousands of workers, especially in the light industry and processing industries, such as Vimytex (3,200 workers), Vinatexco (3,216 workers), Sicovina (2,000 workers), and the export clothing zone (1,215 workers). There were many highly automated enterprises which had very great capacities but few workers, such as Foremost, which produced 2 million containers a shift with only 200 workers, Pinaccu, etc. With regard to machinery, there were metallurgy, machine-building, machinery and equipment assembly, a spare parts manufacturing, and large electrical machinery assembly enterprises with 500 to 1,000 workers, such as Vicasa, Vikimco, Vinappro, Vikyno, Silico, Singer, National, Sanyo, and Sony. Investment was made to expand the French Caric and Citroen enterprises.

With regard to construction materials, there were the Ha Tien cement enterprise (Thu Duc), which was the largest in the South, and the Bien Hoa brick and tile enterprise.

An outstanding characteristic was that the Saigon-Bien Hoa industrial zone at that primarily used raw materials, materials, components, and spare parts imported from capitalist countries.

With regard to energy, Saigon relied primarily on thermoelectricity generated by using imported oil. The Da Nhim hydroelectric plant, with a capacity of 160,000m kilowatts, was constructed, but because of the wartime situation it could not be used on a regular basis. In 1974 the actual electricity output was the actual electricity output was 1.5 billion kWh, about what it is now.

The infrastructure was consolidated and expanded. Modern river, maritime, road, and air transportation systems were combined with the provincial

transportation systems leading to the city into a rather complete regional transportation network.

There were 1,721 km of roads, including 630 km of asphalt-surfaced roads, which were built with modern techniques, especially the system of bridges and ferries crossing rivers and leading to the city and to the provinces. The land transportation facilities were highly mechanized and consisted primarily of trucks. The port of Saigon was capable of handling more than 7 million tons of cargo a year, mostly by mechanized means. That is not to mention New Port, which was used only for military purposes. The airline system was expanded rather rapidly and included both domestic flights connecting Saigon with the large cities and provincial capitals in the South and international flights by nearly all of the large international airlines to all capitals of the countries in the capitalist world. Tan Son Nhat airfield was capable of accommodating large aircraft. During the peak year prior to the liberation there were more than 130,000 take-offs and landings. More than 1 million passengers and 10 million tons of cargo were handled. There was a private native company--the Cosara company--which flew short-range routes. The posts and telecommunications system was modernized--including the long-range communications and postal systems--with the most modern technical equipment, such as teletypes, automatic telephones, and a separate electronic computer for the posts and telecommunications sector in order to serve commercial trade. An IBM computer system, equipped with the newest U.S. equipment, served economic and commercial management activities in Saigon. The city's water system was supplying 480,000 cubic meters a day. But the sewer system was still backward and was used for both industrial waste, sewage from residential areas, and rain water, which it poured into the canals and rivers around the city. Thus there was serious pollution.

During that period, many tall buildings and many other structures sprang up, and part because of increasingly greater economic aid and in part because of the very great rear services installations constructed by the U.S. Army. It may be said that during that period there was a boom situation in capital construction. The American BRJ-RMK company, with more than 300,000 workers, most of them Vietnamese, was one of the largest construction companies in the world. Construction in the city totaled 31 million square meters.

Banking, hotels, repair services, restaurants, tailoring, etc., developed strongly.

The small industry and handicrafts sectors were also equipped with more modern equipment and machinery, and were tied in with large-scale industry to form a complete entity that could produce many different high-quality goods which could be exported.

The ranks of industrial workers, intellectuals, and skilled workers developed and specialized sectors were gradually created. Especially, the corps of scientific-technical intellectuals had a rather high level and many of them studied and underwent on-the-job training in industrial centers in capitalist countries. According to statistical data, in 1975, of the 212,000 workers in the city's industrial and small industry sectors more than 13,000 were

scientific-technical intellectuals and more than 20,000 were elementary and middle level technical cadres.

From our point of view, the value of fixed property in the city (not counting the part in Dong Nai Province) was 19 billion Bank of Vietnam dong, in 1970 prices. After the liberation, over an 8-year period (until 1983) we invested 2 billion dong, most of which had to be used for maintenance, to buy replacement parts, and to complete a number of enterprises. In fact, new construction amounted to only 213.7 million dong. Of course, capital construction for the city must be understood in a very broad sense, for the Tri An, oil and gas, Dau Tieng, and other projects, although not within the city, would strongly affect the city's economy. That is a matter which we should take into consideration in order to have an appropriate development plan, for the city's property accounts for 20 percent of the nation's fixed property.

On the basis of industrial development in the central sector, the Americans and their puppets established a close economic alliance between Saigon and the region to form an indivisible, unified economic structure. The true nature of that relationship was that it was a relationship of rule and exploitation, of which Saigon was the center. That was a conclusion of the Secretariat of the Party Central Committee in April 1989 with regard to the party's work in the city. Therefore, the more the economy developed the greater the social contradictions became.

The most typical representatives of the militaristic-bureaucratic comprador capitalist class in the South at that time increasingly tied in their interests with the presence of the U.S. Army, the U.S. big capitalist class, and the multinational corporations, and became effective lackeys of U.S. imperialism.

In investing in economic development in the South during that phase, the U.S. imperialists regarded the South as being part of their global strategy during the phase of state monopoly capitalism in the form of the multinational corporations. Therefore, the economic base created by the United States in Saigon essentially served its Vietnamization strategy, and took into consideration economic competition with the North in the event that a peace treaty had to be signed. From the point of view of economic effectiveness in the unified structure of the world capitalist economy, of which the South was a part. Most of the industrial bases the United States created there were light industry and assembly installations the raw materials and components for which were obtained on the capitalist market and in which the U.S. multinational corporations invested. That was very economical and was appropriate for an area in which agricultural production had been restricted by the wartime situation and could not supply raw materials for industry, which caused the economy of the South to be dependent on the capitalist economy and forced the native comprador capitalist class into the orbit of tight control by the United States. Thus it was not surprising that Group A of the industrial sector accounted for only 10 percent of the total value of industrial output. The light industry sector had to import more than 30,000 tons of cotton and yarn every year, 38,000 to 49,000 tons of paper pulp, more than 16,000 tons of tobacco, etc.

From the point of view of an independent, autonomous economy, the economy of the South at that time revealed basic weaknesses. It was an economy that was crippled, dependent on the outside for raw materials and spare parts, and seriously imbalanced. Although commodity agricultural production was rather well developed in a number of rural areas along the strategic roads and in the city's outskirts, with new techniques and varieties, but in a general sense it was still characterized by small-scale production and wet-rice monoculture, and followed no developmental laws. Furthermore, the city's consumer needs far surpassed its production level. Consumer demand was even stimulated very strongly by the system of free capitalist competition, which further exacerbated the imbalance of the economy.

Because it lived primarily on aid, prior to the liberation the commercial and service sectors where the most strongly developed. In the city there was a total of about 300,000 businessmen engaged in commerce and services. They participated in both general commerce and specialized businesses which combined exporting and importing, wholesaling and retailing. The commercial network was both extensive and efficient, not only in and around the city but also in the provinces and districts in the Nam Bo delta and in central Vietnam, with a mechanism that was unified, flexible, and responsive to the market.

Especially, the foreign trade activities, especially importing, were directly related to life-or-death existence of the economy in the South, which lived on aid and comprador commerce. There were three times more importers than exporters and exports amounted to only 3.1 percent of imports. In Saigon there were more than 300 commercial representatives of foreign countries. It had foreign trade relations with 24 capitalist and nationalist markets.

The number of banks increased from 7 to 32. However, the source of capital of the banking system in Saigon was not the result of the process of accumulation and concentration of production activities in our country but was primarily based on U.S. aid. Therefore, when aid was reduced the activities of the exporting and importing sectors, the banking sector, and the commercial and service sectors were effected.

In general, during that phase industrial installations were constructed rather rapidly and it became increasingly clear that the intention of the imperialists was to transform the economy of the South along the lines of fully exploiting the local raw materials and labor to support the war of aggression and reduce the excessively great economic and military aid burden, which the United States could no longer bear.

In brief, during the period in which the United States occupied the South the economy of Saigon developed to a certain level of capitalism. The nature of the city's economy was transformed from that of an old-style colony to dependence on neocolonialism, which accumulated capital, not from the economy in the South but primarily from U.S. economic and military aid. Especially, it developed and existed against a wartime background and was controlled to a decisive degree by the needs of the war. Production was largely on a medium and small scale, was dispersed, and was developed with

regard to its degree of mechanization and electrification. At the same time, in the organization of production there began to appear a specialized division of labor and cooperation along the lines of large-scale production. There was little state capitalism. Chinese capitalists played an important role, the native capitalist class developed and had a rather high production management level, and the bureaucratic-militaristic comprador capitalist class developed rapidly. The city's industry had a number of modern installations and a good economic-technical infrastructure, but it was crippled and dependent on the capitalist economic system, was seriously imbalanced, and developed very chaotically. The basic weakness of the city's industry was that it had no developed machinery industry and had not created a machinery and machine tools manufacturing sector. The city was still a commercial and service center.

Chapter II

The City's People

In 1940 the municipality of Saigon-Gia Dinh had a population of only 500,000. By 1954 its population was only 2 million. By the time the city was liberated its population had risen to more than 4 million. That rapid growth resulted from the war and the U.S. policy of forced urbanization.

Over a period of more than 20 years, because of the political-economic needs the United States and its puppets had to expand the cultural and educational activities.

The public education system and colleges developed rather strongly. Workers could also advance to a high level of education, and were not limited as under the old colonial policy. Because most of the men were drafted into military service, women played an important role in labor, even in industry. Their level of cultural and scientific knowledge was much higher than in the past. In accordance with the requirement of developing modern industry, the Americans and puppets sent many technical workers to study and undergo training abroad, with emphasis on specialized training and management training. Therefore, objectively there was trained in the city a group of capable specialists who knew how to work effectively. The technical information system was strengthened, along with the mass media system, which was modernized with a radio network, a TV network, publications, and films.

At that time there were two TV networks, one of which broadcast to the masses in the temporarily occupied areas and one, which broadcast for many hours a day, for the U.S. expeditionary army. A large number of powerful radio broadcasting stations broadcast practically 24 hours a day, and there were dozens of newspapers, not to mention weekly publications, monthly publications, etc., with all kinds of tendencies, from extreme anti-communism to scholarly journals and translations. The literary magazines and books poisoned elementary-school children and youths by means of the most vulgar and crude literary forms, cowboy stories, and fantasies and romantic stories. Translations and studies of classical literature and science and technology were also quite profuse, totaling hundreds of million of volumes, even though only a few thousand copies of each title were printed. Movie theaters were repaired or modernized. There was a total of more than 50 cinemas and 12 theaters in the city, some of which were very modern and showed films from capitalist countries, especially U.S., Hong Kong, and Taiwanese films. That does not include decadent films which were not shown openly in the theaters but circulated among nightclubs, houses of prostitution, or places of amusement of high-ranking officers and officials.

In general, the enemy's information, press, cultural, and literary activities were very vigorous, varied, reactionary, and degenerate (although some books were useful because the publisher was nationalistic, because the mass movement disobeyed enemy laws, and sometimes because of commercial motivation), and had the very clear goal of poisoning the various strata of people with the "anti-communism" of the U.S. imperialists!

Socially, over a period of 21 years more than 4 million U.S. troops were sent to the South (primarily during the period between 1964 and 1973) and billions of dollars worth of goods to serve the U.S. Army (called PX goods) flooded the market. The economic-social relationship between that army and Saigon was very complicated. More than 1 million puppet troops served on active duty during the final days of the war and then fell apart on the spot. How many other people, from industrial workers to laboring peasants, were forced to live lives of puppet troops during those 21 years? How many families were "related" to the old regime, and how many people worked for companies or factories controlled by the United States, Japan, or Taiwan? I may be said that nearly all families living in the areas temporarily occupied by the enemy more or less had such a relationship.

Furthermore, neocolonialism created social evils in the city which we must resolve over a long period of time. According to data left behind by the enemy, in 1974 500,000 people in the city were unemployed or semiemployed, there were 170,000 disabled veterans, there were 700,000 people who for many different reasons abandoned their villages and lived a hand-to-mouth existence in the dark alleys of the city, there were more than 100,000 prostitutes, 150,000 drug addicts, 10,000 "dust of life" children, 10,000 beggars, 200,000 orphans, 200,000 hooligans, and 30,000 gamblers and blackmarketeers. That does not include 400,000 puppet troops who were disbanded in the city and who in fact were also unemployed.

Those figures may startle us.

Neocolonialism hoped to strike at the traditional virtue and patriotism of the city's people by creating a stratum of urban people who had a completely different way of life, a life of parasitism, laziness toward labor, disrespect of labor, not knowing how to work, not wanting to work, etc. They pulled workers out of the factories and peasants from the fields, trained them to kill people, and returned to society people who had lost their roots as workers. That was the most insidious scheme of neocolonialism which caused the greatest harm: the corruption of each family and individual. In addition, there was a indivisible policy that was fully planned and included sophisticated schemes to "tarnish" all people in the city, even the revolutionary families and people related to the revolution, whether remotely or closely.

The statistical data during the more than 20 years under the neocolonial regime only partly reflect the truth because even if those figures were complete they do not fully reflect the level of crime, decadence, and pollution in the city. But the math lesson would be much simpler and more evident if, after adding and subtracting the figures, one would arrive at an answer regarding people.

All of those truths affected the city's people. We absolutely must not regard lightly the ability of neocolonialism to corrupt people. Its schemes were hundreds and thousands of times more poisonous than the old colonialism. But our way of viewing people and society, and the people of this city, is to place those people above all in the over-all context of the nation, with the basic social contradictions, against the specific background of all operating

factors, and especially examining the specific acts and specific political attitude throughout an historic process.

Objectively, neocolonialism accelerated the social contradictions in the South in general and in the city specifically, as analyzed above. Its basic features were the contradiction between aspirations for national independence and unification and the aspiration of the U.S. imperialists to commit aggression and divide our country, the contradiction between the people's desire for peace and the U.S.-puppet policy of stepping up the war, and the contradictions between the demand for social justice and oppression, between national humanism and cruelty, promiscuity, and decadence. Those contradictions became even more severe when the United States bombed the North and affected the very sacred sentiment of national unity of the people of the entire nation, including those in the city. All of those contradictions motivated the struggle of the different social forces against the United States in its puppets.

Nowhere else in the world had the United States concentrated as much materiel and insidious schemes in "anti-communism" in the South at that time: from the cruel form of beheading communists by means of guillotines that were dragged everywhere, by means of an "execution ground" at the Ben Thanh market, in hopes of terrorizing the masses, to the most horrible decadent seductions; added to all sorts of "isms," such as "personalism," which were both metaphysical, there were such complicated international events as the "Chinese Cultural Revolution." It may be said that conditions were thought to be "very favorable" for anti-communism, and for winning over, mesmerizing, or paralyzing the will to resist of, the various strata of people in order to squash the influence of the revolution.

If the city's people are only seen as an objective entity who were passively affected by the surroundings, and not realize that they are also a subjective entity, one cannot understand or explain the events caused by the city's people against that extremely complicated background.

Within a period of 30 years, beginning with the great August Revolution, all changes in Vietnam and all over the Indochinese Peninsula were affected simultaneously by both the counterrevolutionary and revolutionary forces. But in general they were manifestations of the basic change in the comparison of forces, and that is the starting point for all evaluations of the situation.

When there is oppression there is struggle; when there is aggression there is opposition to aggression; and when there is an enslaving culture there is a culture opposed to slavery.

The workers and peasants outside the city, the white-collar and manual workers, and the people who were subjected to all sorts of oppression and exploitation by the U.S. imperialists and the bureaucratic-militaristic comprador capitalist class struggled heroically for 21 years, which proved that truth.

The movement against the decadent, foreign-influenced culture was a broad, strong front of the revolutionary movement in the city. Everyone still remembers the hand grenade thrown onto the Kim Thoa stage of the Diem clique, which proved that the enemy were forced to use the most barbarous schemes to oppose the revolutionary artists. The city organized a public trial to try Chu Tu, the author of lewd novels, "declared dead" Pham Duy, and even organized powerful "forces to defend the national culture" and published the book "The Noble Vietnamese." A number of scholarly researchers made important contributions by translating historical documents, publishing an historical-geographical journal, and publishing works which emphasized pride in the national culture, exposed Truong Vinh Ky and Pham Quynh, praised the patriots Nguyen Dinh Chieu and Truong Dinh, etc. There was even a journal which published the entire text of the Ph.D. dissertation of a Vietnamese living in France titled "Nguyen Ai Quoc Propagates Patriotism and Marxism in Vietnam."

In the cultural movement we can mention such social science researchers in the city as Tran Tuan Khai, Thuan Phong, Le Tho Xuan, Son Nam, Truong Ba Can, etc., who although contributing to historical science to differing degrees more or less affected ethnic consciousness and pride at a time when the U.S. imperialists wanted to spread among the people a kind of inferiority complex, a scheme no different from that of the French imperialists in the past.

When we speak of the city's people we refer first of all to the patriotic, unyielding nature of our people and the inevitable struggle of people who are oppressed, exploited, and enslaved, and was elevated by the light of the revolution to a new height from the 1930's to the 1970's.

Furthermore, the people of the city at an early date came into contact with a machinery civilization, which created a work style, sentiment, thought, and actions that were appropriate to an industrial life style that was very receptive to new things and was orderly and disciplined. Industry developed for a hundred years in the central city of the South, which contributed to the formation of the special characteristics of the city's people.

The city's people not only inherited the history of 4 centuries of building and defending the city, but also inherited the history of 40 centuries of building and defending the nation of the Vietnamese people. The desire for national unity by all Vietnamese, no matter where they lived, was a latent strength the enemies of our nation did not fully take into consideration. Thus in 1945 the French colonialists wanted to set up a premier for the "nation of Nam Ky," a drama which ended with the hanging of both the premier and the plot to divide our country. The U.S. imperialists wanted to transform the South into a separate country, and even brazenly drew a map of Vietnam that extended only to the 17th Parallel, which teachers were forced to use when teaching students in the schools. However, Vietnam was still a single entity and the Vietnamese people will always be single entity.

Our ancestors came from all parts of the nation to build the city when it was still a wasteland and still bore the spirit of the Hung Vuong ancestral land. People often speak of the "Dong Nai courage," which more accurately is the development of the loyal, heroic, unyielding nature of our people from the time of Hai Ba Trung, Ly Thuong Kiet, etc. That tradition was passed down

over many generations in an area occupied and ruled by the enemy for a hundred years, but the mothers, fathers and families of Vietnam, very ordinary but also very great, patiently passed on that tradition to their children.

Everyone in the city will always remember that sorrowful day when Uncle Ho passed away: 3 September 1969. At a time when the United States and its puppets gleefully spread that news, thinking that it would bring about the collapse of the morale of the people of Saigon, on practically every street there were altars, disguised in one form or another, which showed that the people of Saigon were mourning for Uncle Ho. That was a reply to the country-stealers and the country-sellers: the people of Saigon affirmed their desire for national unity and their belief in the leaders and the future of the nation. A large-scale "prayer meeting for Uncle Ho" was held openly at the Phu Nhuan pagoda. Nearly all of the Saigon newspapers treated the news of Uncle Ho's passing solemnly, and many journalists, such as Ly Chanh Trung, on that occasion wrote many newspaper articles which expressed their profound sentiment toward President Ho Chi Minh.

Practically throughout the month of mourning for Uncle Ho the city's people, from industrial workers, laboring peasants, intellectuals, and public figures to members of the puppet military and administrative apparatus, awaited, openly and secretly, news about Uncle Ho from Hanoi, via the Voice of Vietnam, news bulletins that were like sacred appeals of the Fatherland for the entire population. Never before had such a great loss for the nation united the nation in such a way. As a message of condolence from our Cuban comrades stated, it was a death that gave rise to life.

The history of the Dong Nai-Ben Nghe area during the past 4 centuries has been the history of the labor of the people of the entire nation and the history of the revolutionary struggle of the entire nation.

After the liberation of the city and the South, and the unification of the nation, we shifted over to the socialist revolution strategy on a nationwide scale. That was an inevitable tendency of the Vietnamese revolution and was confirmed in the Political Program of comrade Tran Phu, on the basis of ideological guidance by Uncle Ho, when the party was founded, and is also very appropriate to the economic-social situation of our country after half a century of struggle to complete the democratic national revolution. The city, along with the rest of the nation, changed over from war to peace and the implementation of socialist transformation, the construction of socialism, and the defense of the Fatherland. The city began a new period of challenge that was no less complicated and fierce, especially in an area in which capitalism had developed to a greater degree than in the other regions of the nation, with everything that was inherited with regard to material and moral resources, forces, and even the enormous consequences of an economic-social system situation left behind by the enemy.

Giving our city the name of Uncle Ho also had the significance of the nation making strict demands on the city's party organization and people, and requires on the part of all of us a strong sense of responsibility and a new

capability, accompanied by the defense of the Fatherland, with the qualification of people who are the collective masters in the face of all challenges.

We did not begin the new strategic mission empty-handed. We had a city that was intact and had considerable economic potential, workers who had developed a strong vital force over many generations, and a party organization that had been forged by blood and fire. Those were materials, previous capital which the nation and our people bestowed upon us so that we could, along with the entire nation, advance to socialism.

Chapter III

Facing New Challenges

With the great victory of the spring of 1975, the city of Saigon-Cho Lon-Gia Dinh became a free city in a unified Vietnam. In addition to continuing to fulfill the remaining missions of the national democratic revolution, the city immediately began to carry out the strategy of socialist revolution, in harmony with the progress of the entire nation and in accord with the historical laws that led the city and the South of our nation to victory.

The immediate requirement was comprehensively restoring and transforming the nation, even more important, to restore and transform the economy in order to have a basis on which to ensure that the city develops favorably in the initial phase of the period of transition to socialism.

With regard to the mission of socialist revolution, the South, and particularly the city, are 20 years behind the North, and in addition must cope with a number of very complicated and confusing problems which were inherited from the enemy and left behind by the war. First of all, it was necessary to stabilize the situation, quickly set up a revolutionary administration, and suppress the reactionary vestiges both politically and militarily. It was necessary to regulate the administrative and economic apparatus so that they operated smoothly, and not allow any missteps to occur, because a misstep at that sensitive time would have had serious political and psychological consequences.

We took over management of the city under conditions which may be summarized as follows: the city had been liberated rapidly, which meant that our preparations to manage the city were not yet complete; the reactionaries planted by the enemy in accordance with their post-war plan were still hiding out in the city and the enemy were surrendering and disbanding on the spot, which militarily was very significant but with regard to social management, especially during the initial period, was a dangerous lesson and if good measures were not taken to cope with it would be difficult to maintain security and prevent rebellion; and it was necessary to provide food, electricity, and water for a city of 4 million people, the carry-overs from the old regime, such as thievery, hooliganism, prostitution, gambling, and prior to the liberation Saigon was in turmoil because of the depredations by disabled veterans, etc. And above all, we were inexperienced in managing a large industrial city.

The year 1975 and the next few years following it were an especially important period in stabilizing and restoring the city's activities. There were successes and failures. It was the period during which the greatest contributions were made to our party organization's knowledge of the economic-social management of a large city.

I

The resolution of the 24th Plenum (second term) of the Party Central Committee stated that "A mission of foremost importance of the entire nation is restoring and developing production, promoting socialist industrialization, and positively and rapidly advancing our nation's economy to large-scale socialist production." The "who defeats whom" struggle between the socialist and capitalist paths in the period of transition to socialism "demands that all cadres and party members have a new determination, new ability, the necessary knowledge, and correct working methods in all spheres, have a revolutionary offensive spirit, and persistently struggle for the complete victory of socialism."

With regard to the immediate tasks in the South, the Political Bureau set forth three urgent missions:

1. Rapidly consolidating the people's administrative system at all levels, and strongly developing and respecting the collective mastership right of the working people. On the basis of the mass revolutionary movement, building and perfecting the administrative apparatus and economic apparatus of the administration, from the provincial level down to the village and subprecinct levels, causing that apparatus to become truly pure and operate efficiently and at the same time promptly suppressing the counterrevolutionaries, solidly ensure political security and social order, have good economic and cultural management, and be concerned with the lives of the people, especially the working people.
2. Stepping up the restoration and development of agriculture, industry, small industry, and handicrafts, improving the circulation and distribution activities, strongly developing socialist commerce, resolutely opposing speculation and hoarding, stabilizing the market, and continuing to stabilize the people's living conditions.
3. Eliminating the comprador capitalist class, eliminating the vestiges of the feudal landlord class, and doing a good job of resolving land disputes among the peasants.

Gradually carrying out the socialist transformation of private capitalist industry and commerce and creating conditions for carrying out the socialist transformation of agriculture, small industry, handicrafts, and small commerce. Closely combining transformation and construction to advance the entire economy of the South along the line of large-scale socialist production." (Footnote 2) (Resolution 254 of the Political Bureau (third term), July 1976)

In December 1976 the resolution of the Fourth Party Congress stated that "as it enters the new phase, our country's revolution will develop with the following major characteristics:

"First, our country is in the process of advancing directly from a society the economy of which is still characterized by small-scale production to socialism without passing through the phase of socialist development.

"Second, our Fatherland is at peace, independent, and unified, and the entire nation is advancing to socialism with many great advantages. However, there are still many difficulties caused by the consequences of the war and the vestiges of neocolonialism.

"Third, the socialist revolution in our country is being carried out under favorable international circumstances, but the 'who defeats whom' struggle between the revolutionary powers in the world will continue to be difficult and fierce."

The congress set forth the common line of the socialist revolution and the line of economic development in the new phase, along with the basic mission of the 5-year plan (1976-1980) regarding economic-cultural development and transformation and the development of science and technology.

Implementing the resolution of the Fourth Party Congress and the resolutions of the Party Central Committee and the government, beginning with the first congress of the municipal party organization in April 1977 the city placed in the forefront the mission of "Concentrating forces on carrying out socialist transformation, in order to create conditions and open the way for production to develop in the direction of large-scale socialist production and stabilize and improve the people's living conditions. Transformation must ensure that production develops continuously and improve the people's living conditions. It must be tied in with reorganizing production and redistributing the social labor forces in order to greatly strengthen the state and cooperative components and create conditions for the state economy to truly play the leading role and guide the other economic components."

The above were the base for guiding the city's activities in the period after the liberation.

II

Beginning on 30 April 1975 the municipal party organization, on the basis of correctly evaluating the revolutionary nature of the city's people, relied on the masses, launched many revolutionary action movements, and concentrated its efforts above all on stabilizing the situation, and regarded that as the basis on which to create the strength to resolve the city's great difficulties at that time.

Realizing Uncle Ho's thought "Solidarity, solidarity, great solidarity; success, great success," we carried out a policy of "national conciliation" and enabled everyone, from workers to intellectuals and public figures, religious adherents and atheists, Vietnamese and Chinese, and people of all social origins and strata to have less of an inferiority complex and a stronger sense of pride in their contributions, whether great or small, in the common victory. During the first few years the actual situation in the city manifested the admonition of comrade Le Duan, the party's General Secretary, "Everyone with Vietnamese blood can be proud of the nation's common victory." During the "report achievements" campaign of August 1975 millions of people participated in the mass congresses at the basic level. Tens of thousands of

people arose to denounce the crimes of the local tyrants and of the U.S.-puppet regime, to recount the myriad forms of struggling and assisting the revolution, of supporting or participating in the mass movement against the United States and its puppets in the city during the period in which the enemy were still in power, and such activities as sewing flags, flying flags, disarming the enemy, participating in building the regime, and defending public property during the uprisings at the end of April 1975. The events related by millions of the masses were recorded in "golden books" at the local level. If edited they could become an extremely valuable archive for the city and for future generations.

From the very beginning the revolutionary regime implemented Vietnam's unique humanitarian policy toward the soldiers of the old regime. There was no vengeful "blood bath," as the United States and its puppets had warned: 400,000 troops of the old regime returned to their lives as ordinary citizens after 3 days of studying the lines and policies of the revolution. More than 30,000 officers, including generals and field-grade officers who should have been tried by military courts and paid for their crimes had their citizenship restored to them soon afterwards--except for the tyrants with blood debts toward the people, who had to continue to undergo reeducation for many years.

By broadly motivating the masses at the basic level, the municipality was able to set up and consolidate the revolutionary administration at all levels even during the initial period after the liberation. The masses elected good people to the administrative apparatus and the mass organizations at the basic level, and helped the revolution purge the bad elements, nip in the bud the activities of hidden reactionaries, suppress obstinate counterrevolutionaries who were still holding out and plotting to commit sabotage, punish the leaders of criminal gangs and operators of houses of prostitution, and uncover many serious criminal acts. Some 97 percent of the voters participated in the 1976 National Assembly elections, including 93 percent of the soldiers of the old regime whose citizenship rights were restored. They were followed by people's council elections at the municipal, precinct, district, subprecinct, and village levels at the beginning of 1977. Those were broad democratic mass campaigns and events that had never before happened in the city. The city soon adopted the policy of the basic level criticizing itself before the people. In 1976-1977 hundreds of thousands of people participated in criticism of the revolutionary people's committees, the public security sector, and a number of sectors serving the lives of the people, such as the commercial, public health, and other sectors. That was the beginning of an administrative style of making personal contact with the people, allowing the people to exercise supervision, and continually perfecting the nature of a revolutionary government, which is of the people, by the people, and for the people.

In evaluating the accomplishments of the first years after the liberation, on the occasion of the change-over from the military management committee to the revolutionary people's committee in January 1976, the city openly reported to the people that "With the establishment of the people's administration, for the first time in the political life of the city ordinary people of worker origins have arisen in large numbers to assume responsibility for matters relevant to the nation and the people, side-by-side with cadres and men from

the city or sent from the upper echelon, the specific starting point of our people's socialist collective mastership right."

With regard to culture and society the city at an early date adopted the policy of nationalizing the private schools, reopened them in time for the 1975-1976 academic year, enrolled 800,000 youths and teenagers in the socialist schools, used nearly all of the existing education cadres and teachers, launched anti-illiteracy and supplementary education movements, and restored the public welfare, public health, and physical education and sports facilities. Although there were insufficient cadres and material-technical bases to carry out the social tasks, "with a sense of responsibility and love" and with the aid of the central echelon and the provinces, and especially by relying on the revolutionary mass associations, the city gradually overcame major, urgent social problems: the hunger which had threatened since before the city was liberated, a POL supply sufficient for only 15 days, unemployment, drug addiction, prostitution, and hooliganism.

With regard to culture and art, in addition to rounding up and eliminating decadent cultural products, the city strongly developed the mass cultural movement, encouraged and promoted the publication of personal accounts and publications about current topics in order to serve the city's political missions, develop the national culture, ensure diversity in art, and repulse the vestiges of neocolonialism in the culture and art movement in order to continually improve the quality of art. It reorganized the state and collective choral groups, rearranged the stage and cinema activities, and developed the other artistic sectors, such as literature, music, sculpture, etc.; paid attention to developing and restoring the traditional national culture; did a good job of implementing the policy toward newly liberated artists and helped promising people of good will to develop their talents; and implemented a policy of encouraging resistance war artists to serve as the hard core in the artistic ranks.

From the beginning we emphasized a broad movement to build a new way of life, especially in the workers' districts and in areas outside the city, created a system of libraries for each locality and club in many subprecincts, villages, districts, schools, organs, etc., and launched a movement to read and emulate revolutionary books and publications. With regard to museums, the city built a revolutionary museum, an historical museum, a museum of U.S.-puppet crimes, exhibition halls, etc., while also changing a number of inappropriate street names, founding major cultural installations, such as the Teenagers' Cultural Center, the Youth Cultural Center, the Labor Club, and the Thanh Da rest house, improved the parks by providing more space for rest and recreation for the working masses, children, and teenagers, and built a number of information and cultural facilities for villages outside the city and in the new economic zones.

The mission of stabilizing the political-social situation in the newly liberated city was truly difficult, but the party organization correctly determined the decisive significance of that work with regard to the over-all course of the revolution in future years. The reason why the city was able to do a good job of carrying out the cultural-ideological work during the first few years was that it understood the city's masses, relied on the

masses, boldly motivated the masses, and persisted in the national reconciliation policy, in accordance with the thought of Uncle Ho.

Also because of that absolute political superiority, only 3 years after the liberation, when the Chinese expansionists and hegemonists created the very insidious "Chinese living in Vietnam" issue, at a time when the city and the entire nation were experiencing difficulties caused by natural disasters and destruction by the enemy, we maintained a stable political situation in the city.

It is regrettable that that good working method did not continue to be brought into play in the following years, because some cadres and party members did not understand the city or sympathize with its people, and had a narrow way of thinking and an attitude of "the arrogance of victorious communists" who decided things in all places and at all times, so for a time considerable harm was done with regard to the morale of some people, even among some cadres and families with merit toward the revolution, who had been tested in the revolutionary movement and in the imperialist prisons.

III

With regard to rural areas around the city, the city immediately began to stabilize the people's living conditions, and bring people who had been dispersed to other places during the war returned to their old villages to develop their home areas and restore greenery to areas the enemy called "free fire zones," which were devastated by bombs, shells, and poison chemicals, and in which 70,000 hectares were abandoned. The peasants enthusiastically participated in reclaiming the land and building water conservancy projects. Many people were killed or wounded when disarming bombs and mines, filling in bomb craters, etc. In the movement to build water conservancy projects in areas outside the city, millions of inner-city people from all circles, from workers and students to artists, religious adherents and atheists, monks, nuns, etc., worked with the peasants, gave rise to a very enthusiastic labor spirit, and tightened the relationships between the city and the rural areas and between the city proper and its outskirts.

Economics was the newest sphere, one in which we had little experience. The city faced major difficulties: in addition to social evils, unemployment, and fuel scarcities, the comprador capitalists had not yet been pulled down, and the commercial bourgeoisie still existed and dominated the market, along with a large number of small producers and nearly 300,000 small merchants (equal to nearly half the households in the city), who were in need of reorganization and rearrangement.

In 1975, in the course of two transformation campaigns, we nationalized the property of 171 reactionary comprador capitalists and 59 big dishonest merchants, restored 400 state enterprises and 14,000 small industry-handicrafts installations, employed 270,000 industrial workers and laborers, encouraged people to return to their home areas, and gradually redistributed labor. The campaign to dismantle the social base of the comprador capitalist class had a very great significance from the very first days after the liberation: the revolution returned to the working people 70 percent of the

property and wealth the comprador bourgeoisie had stolen from them, and greatly reduced the remaining social base of the international capitalists and Beijing reactionaries, who were seeking ways to get revenge and commit sabotage. With regard to industrial and small industry production, although there were initial missteps, by 1976 the city had attained a total output value of 1.8 billion dong. In 1977 the output value increased by 34.1 percent over 1976. The number of unemployed people fell to half of what it had been prior to the revolution. The economic victory also contributed notably to stabilizing the lives of the people during the first few years. But the important matter in this regard is that we began to enable the workers to realize the great significance of changing over from hiring themselves out to serving as the masters of the nation. Millions of people participated enthusiastically in the "socialist labor days" during the first few years after the revolution in enterprises and organs, and even at construction sites, at farms, and at water conservancy sites outside the city. It is regrettable that we continued outmoded economic mechanisms and policies which gradually reduced enthusiasm for labor and created conditions for the appearance of many negative phenomena within the ranks of the city's workers. Many comrades had to sound the alarm, "The working class must be saved," primarily for that reason.

With regard to distribution and circulation, we began to form a socialist commercial system consisting of state commerce and cooperative commerce and boldly relied on the women's mass organization to expand the retail sales network serving the people, such as women's teams to sell rice and vegetables, marketing cooperatives in the subprecincts, marketing cooperatives in the rural areas, canteens in the organs and enterprises, etc. It is regrettable that afterwards many places did not build on those valuable experiences, but followed the path of bureaucratic-subsidy administrative distribution and emphasized "professional specialization" at the expense of a sense of responsibility and quality in serving production and the lives of the people, so socialist commerce could not do a good job of fulfilling its function of being a "housewife of society."

In transforming and reorganizing production, distribution, and circulation, we affirmed the demand of not dallying but of carrying out the socialist transformation of the economic components. During the first 3 years after the liberation, the city carried out the transformation and reorganization of the private capitalist industrial and commercial sectors (including transportation and construction) especially during the large-scale campaign to transform bourgeois commerce throughout the South in March 1978. There took form in the city five economic components, in the spirit of Resolution 24 (3rd term) of the Party Central Committee, and we began to restrict the traditional monopoly of the commercial bourgeoisie, especially the Chinese bourgeoisie, over the economy.

However, we carried out the transformation only with regard to form. But the management relationship, the decisive factor with regard to the goals of transformation--developing production and improving the people's living conditions--was not transformed. Instead, the rational nature of the production process was broken up and enterprises which had formed an integrated whole in many respects, in accordance with an industrial base that

had begun to develop, were broken up into individual units. Many mistakes were also made with regard to transforming the commercial bourgeoisie due to failure to firmly grasp basic investigations, incorrect determination of economic components, leaving some large merchants untouched, confiscating goods and materials but not managing them, corruption on the part of some cadres, etc. The policy of joint public-private ownership did not encourage the positiveness of the bourgeoisie with regard to capital and managerial skill, in order to stimulate production with high economic effectiveness.

Therefore, during the first 3 years the city in fact only began to restore its economy. After 1979 the situation tended to reveal unwholesome aspects in production the total value of central-level state industrial production suddenly dropped from 1.3 billion to 946.7 million dong (73.2 percent of 1978); in 1980 it amounted to 760 million (80.0 percent of 1979). Local state industry declined to a lesser extent (from 376.9 million in 1978 to 376.1 million in 1979 and 316.4 million in 1980). Meanwhile, although the small industry-handicrafts sector was transformed in the cooperative and cooperative team forms, exploitation by bosses continued, and the small industry-handicrafts production developed increasingly along the lines of spontaneous development and obtaining raw materials on the outside (some of their materials, raw materials, POL, etc., were obtained illegally from the state). The year 1979 was the year in which state industry encountered the most difficulties but in that year the total production value of small industry and handicrafts was 3.5 times greater than in 1976. The state industrial enterprises were restricted by the mechanism and could not develop. They could barely make a go of it themselves, so they could hardly fulfill the mission of leading the way in the sector. The contracting of work by the state to the small industry-handicrafts installations included many negative features, some small owners grew rich very rapidly, and many state cadres who did the contracting were corrupt and degenerate at a time when the handicraft workers were leading wretched lives.

After the campaign to transform bourgeois commerce in March 1978 the distribution-circulation situation did not improve. On the one hand, we did not create in time a socialist commercial system to replace the old system and meet the needs of society, and relaxed the struggle to manage the market and oppose blackmarketing, speculation, and price increasing. Furthermore, the management of materials and goods confiscated in the course of the transformation was in the style of small producers, the assignment of cadres was incorrect, and we did not rely on the on-the-spot working class forces, so there were corruption and losses. After 1979 we also relaxed management and allowed some middle and small merchants to develop to a large commercial scale. Some of the commercial bourgeoisie revived, dominated the market, and competed with the state. The number of small merchants also increased.

Because of that situation regarding the organization of production, added to the widespread disease of bureaucratic-subsidizing administration in distribution and circulation, the state was unable to master the sources of goods, control money, or manage the social market. That was a situation of "chaos in socialist economic order," according to the evaluation of Resolution 26 of the Political Bureau in 1980.

In the transformation of agriculture, the city set the struggle goal of completing the transformation in 1979. In fact, by the end of 1978 there had been set up four state farms, more than 790 production collectives, and 10 agricultural production collectives. But nearly all of the state farms (except for the Van Hai state farm) operated at a deficit and the quality of the agricultural production bases at that time did not further production and improve the living conditions of the people. Nearly all of them operated very poorly. By 1980 the city had dissolved about half of the agricultural production collectives so that they could be reorganized. Although the peasants in areas outside the city had much confidence in the city and had long followed the revolution, there was dissatisfaction over our working methods and price policy. The enemy sought ways to distort the situation, merchants interfered and used economic benefit to stimulate the negativism of the peasants, etc. That was a period of rather serious crisis in the rural areas. The worker-peasant alliance was harmed because we did not fully understand the economic contents of the worker-peasant alliance in the new phase of the revolution, and still leaned toward vague political motivation, as during the national liberation war period.

With regard to the lives of the masses, during the 1975-1976 2-year period we were able to temporarily stabilize them because the contradictions within the economic-social management mechanism in the city had not yet become fierce, there were still considerable reserves from previous years, machinery and equipment had not yet broken down, production was still increasing every year, the weather was still favorable, and the border war had not yet become hot. But after 1977 the standard of living began to decline. The price index on the social market increased every year. In 1978 it increased 1.53 percent over the previous year, in 1979 it increased 30.9 percent, in 1980 it increased 20.3 percent, in 1981 it increased 42 percent, etc. At that time the organized market accounted for only a small ratio of the social market. In fact, sometimes some goods of the socialist commercial sector were not sold directly to the consumers, but passed through many private merchant middlemen. That is not to mention the fact that the prices of cooperative commerce were only a little lower than the market prices and their quality was not guaranteed. The supplying of rationed goods to the cadres, workers, and laboring people declined with regard to both quantity and quality and the organized market tended to shrink. The supply of essential goods was sufficient to provide only half the rationed amounts stipulated for industrial workers, civil servants, and the laboring people. For the first time the city's people had to eat rice mixed with other grain. The ratio of the other grains gradually increased and increased to as much as 90 percent in one month. The real wages of the workers and civil servants decreased by from 17 to 27 percent a year, and in 1979 were equal to only one-third those in 1976.

The social and cultural-ideological situations tended to deteriorate very rapidly. The number of unemployed people was still very high (about 300,000) and some of them became "rip-off artists" at the outdoor markets, earned their livings illegally, and colluded with degenerate cadres to steal public property. Within the city's labor force major changes took place. Because their standard of living was so low, 20,000 skilled workers had to leave the enterprises and earn their livings on the outside. A rather large number of management cadres and scientific-technical cadres of the state and joint

public-private enterprises left to work in cooperative production teams or in the individual economy, and some fled abroad. People who earned their livings dishonestly operated brazenly. Phenomena of decadent, reactionary culture and art appeared in many places but were not stopped. Although political security and social order were maintained, the number of serious crimes increased: in 1979 the number of serious crimes was 12 percent greater than in 1978 and the total number of crimes increased to 17,000, compared to 11,000 in 1976. On the streets practically every day there could be heard the sound of gunfire as the police chased after criminals. The murder of the singer--now martyr--Thanh Nga in 1978 was a serious challenge for us. The enemy took advantage of that event to feverishly carry out sabotage in many ways, especially economically, culturally, and ideologically, which had a very poisonous effect on psychology and public opinion.

The objective reason for that decline was that the intensity of the fighting along the southwestern and northern borders suddenly increased and directly placed our country in a war status. A general mobilization had to be carried out nationwide. There were natural disasters during 3 consecutive years, which seriously affected agricultural production in the Mekong Delta. Furthermore, our exports did not match our imports. The state did not have sufficient materials, raw materials, and spare parts at that time, stockpiles were used up, and machinery, equipment, part of the material-technical bases, and the infrastructure gradually broke down. Our subjective deficiencies exacerbated that situation. In 1980 Resolution 26 of the Political Bureau pointed out the serious harm caused by the diseases of the subsidy system in the economic management mode, which was "serious and prolonged," and of the relaxation of the proletarian dictatorship in the sphere of distribution and circulation. More important and more basic were the deficiencies in the organization of production: some of the material-technical bases were overlooked and not fully utilized, some were lost, and some were separated and dispersed; and the traditional economic relationships among the localities in the South were cut, which caused the city to be "besieged" economically and have to feed its 3.5 million people on a "meal by meal" basis. Productivity, quality, and economic effectiveness declined to a serious extent and compensation paid workers did not correspond to the effort they had put forth.

Evaluating the situation during the last years of the 1970's the resolution of the Second Congress of the Municipal Party Organization (1980) pointed out that "During the first years of the period of transition, the situation in the city--with regard to economics, politics, culture, and society--was not truly stabilized and there are many very severe and complicated difficulties. The economy was upset and was managed in accordance with a mechanism that was in many respects inappropriate, so the imbalance became increasingly serious... Evaluation of the positive revolutionary nature was not clear in the party organization echelons. That, added to the fact that the management mechanism included many aspects that were no longer appropriate, led to the danger of eliminating the motive force of the collective mastership system, and failure to encourage talent and enthusiasm for labor." (Footnote 3) (Documents of the Second Congress of the Party Organization, 1980, pp 49-50)

Of course, we never deny our important accomplishments, as analyzed above, which resulted from the very great efforts of the city's party organization and people under very complicated circumstances during that time. But the above-mentioned problems were indeed very serious.

All developments in the situation during the first 3 years in which we managed demonstrated our basic superiorities and deficiencies as a ruling party organization that was responsible for all aspects of life in the city.

Under the leadership of the Party Central Committee, the city's party organization, along with the rest of the nation, contributed importantly to the common victory of the national democratic revolution. The city's liberation was an obsessive dream which motivated one generation after another, and was the greatest accomplishment of our nation throughout 30 years of armed struggle. The city's liberation meant that the entire South and the entire nation had been liberated. The event of 30 April 1975 was greater than any other event in the history of our nation. It not only ended the yoke of a hundred years of dependency on foreign imperialists, overthrew the lackey puppet regime, and ended a long bloody war, but also began a new era, an era of turning over political power to the workers and peasants, setting up a proletarian dictatorship, and building a society that guarantees national independence and the mastership right of the working people, develops the economy, and continually improves the material living conditions and morale of the broad masses. The total victory of 30 April coincided with the beginning of the period of transition to socialism.

We enthusiastically began to implement that great, sacred mission with strong ardor.

Even during the period just after the liberation, the Party Central Committee was concerned with the special conditions of the region and of the city, and stressed the necessity of finding an economic-social management model that was appropriate to the special characteristics that had taken form in the historic process of each place, to ensure that each place can arrive at socialism in the optimal manner and in harmony with the whole. However, it was our very enthusiasm that prevented us from fully understanding that guiding spirit of the Party Central Committee.

Only by carrying out that task against its objective background could we learn certain lessons. Clearly, after the city was liberated we were dazzled by the rapid and efficient victory and we did not have experience in economic-social management in general and the management of an industrial city in particular, let alone Saigon, the U.S.-puppet capital and a large city with a large population, a modern infrastructure, and large-scale industry. Even the cadres who had for many years immersed themselves in the movement in the city, were inexperienced vis-a-vis the new mission, not overthrowing but building. Long on enthusiasm but short on experience, we can make the generalization that that was the source of the situation of the party organization after 30 April 1975 and of all its shortcomings.

Our first mistake was that we were not sufficiently patient to realize that once the city was liberated it as a matter of course became the property of our regime, no matter what goals our enemy had in building it or what they did there. The Party Central Committee many times reminded us that the fact that the revolution took over the city's infrastructure while it was completely intact meant that our victory was even greater and was one of the extremely great advantages with regard to the nation's new mission. But we did not yet know how to preserve and care for the city as we preserve and care for our bodies. The vestiges of peasant thought and psychology, and a considerable amount of "communist self-satisfaction"--Lenin's words--more or less determined our outlook and sentiment for a certain period of time. It was true that the city had been the starting point for many plots and schemes which caused suffering and sorrow for the entire nation, the ring leaders had been overthrown and the city had retained its essence--the accomplishments in science and technology that had been accumulated over a period of hundreds of years--and was waiting to be developed and used for the benefit of socialism.

Our second mistake was not understanding the economic-technical situation of the city, which had lived under the neocolonial regime for 21 years and was a region in which capitalism had developed to a certain degree. After the liberation, the proletarian dictatorship was set up. We should have begun with "verification and control" and carried out economic-social management in accordance with the mode of managing an economy which included the element of large-scale production, so that we could enter into large-scale socialist production, but applied the management mode of small producers, which also included a self-sufficiency nature and was oriented toward general, vague "political" aspects and regarded lightly the decisive factor--production capacity. Therefore, instead of gaining experience in order to allow the production process to continue to operate and develop, we hastily condemned and amended its mechanism, ignored management science and technical procedures, and eliminated the old management structure, which we should have transformed so that it could have served as our specialized aide. The greatest harm was done by our dividing up the production bases, practiced administrative management instead of economic management, which caused a production installation to be subjected to many command levels, were arbitrary in technical matters, and did not assign management cadres and specialized cadres according to their abilities. Furthermore, our salary and materials supply systems were irrational and ultimately paralyzed the operations of the production installations. The transformation undertaken during that period did not take those realities into consideration and some tasks were carried out hastily, with the primary goal of transforming the ownership of the means of production, but it was not understood that the highest goal of the transformation was to develop production, for the benefit of production. If that was to be accomplished, the transformation should have emphasized improving the management relationship. There was failure to understand that although it was essential to eliminate the capitalist management relationship, and that it could not be replaced by the bureaucratic-subsidy administrative management relationship because it was not the socialist style of management.

Furthermore, we failed to fully realize the harm done by the disease of bureaucratic-subsidy administration, which had penetrated deeply into all sectors, especially distribution and circulation. It both impeded production and adversely affected the lives of the masses. Carrying out the transformation of private commerce without being able to create new-style socialist commerce only further impeded and confused the situation, which was already very difficult, of an economy which was internally imbalanced.

Our third mistake was not fully understanding the history of the process of the formation of the city's industry and its role in the region's industrial-agricultural structure. It was an industrial center which could only exist and operate when it was tied in with the entire region. To make the city equal to the other localities and deprive the city of its strength vis-a-vis its agricultural hinterland and, at the same time, was to eliminate the strength of a rich agricultural level. When the two are joined, wealth is produced; when they are separated they cannot make it alone. We also had insufficient understanding of the effect of foreign trade on the well-being of the city, and at the same time the well-being of the entire South and the entire nation. Our failure was related to the perspective from which we viewed the city: the period of peacetime construction differed from the war time period.

Our fourth mistake was that we did not carefully evaluate the problems which the new regime had to resolve: the number of unemployed people was excessive, the number of people who evaded reeducation was considerable, the social evils had not yet been eliminated, and the various kinds of enemies continued to feverishly engage in sabotage activities. Especially, we failed to correctly evaluate the venom of neocolonialism, of the capitalist consumer way of life that had deeply penetrated some people in the city. We also lacked vigilance toward internal negative phenomena which originated during the war and the bureaucratic-subsidizing administration mechanism and now found an environment in which to surface and grow. Those two dangerous powers allied to inflict serious damage in many respects, and became tools which the political reactionaries could use to attack socialism. Furthermore, we did not fully realize the complex difficulties in that pivotal strategic period. Especially, at times we excessively emphasized the potential of the economy. It was true that we had such potential, but to develop that potential, many favorable conditions and much time were required.

Our fifth, and most serious mistake, was that we did not clearly determine the two goals of economic activity in the city: expanding and increasing production and improving the people's living conditions.

In 1978 the contradiction between our management mechanism and the demand for economic development reached the point that action had to be taken in the city. Clearly, stipulations that may be appropriate or essential for half of the nation--the North--under the wartime conditions, where industry and agriculture were in many respects restricted, and where the budget was balanced primarily on aid from friendly countries, but those economic-social management stipulations did not reflect the new needs of the nation as a whole

during the period of peacetime construction, in which we must rely primarily on ourselves. Furthermore, they restricted, or even eliminated, all positive factors.

Also in 1978 much damage was done by natural disasters and by the enemy, the economic-social situation was complicated, negativism was tending to develop both internally and in society at large, and even the minimum necessity--food--was threatened. Even more serious was the agitation among some of the people, and the confusion and perplexity on the part of some revolutionary cadres.

Recapitulating the state of the nation at that time, comrade Le Duan said that "we are passing through perilous times." We passed through that perilous period: Cambodia came back to life, the northern border areas were recovering, the "Chinese living in Vietnam" abated, and security and safety we maintained.

The people of Ho Chi Minh City contributed notably to the glorious victory, but its most notable contribution was that in the midst of such a situation the city began to remove the outmoded restrictions in economic management. It was indeed a case of "being reborn."

In brief, the 1976-1979 period was one in which we were faced with the key problems of the requirement of managing an industrial city, a place in which revolutionary ardor, if not closely guided, could very easily develop into the disease of voluntarism and directly cause problems in many spheres. That was a period in which the city sought appropriate management laws and models. It was also a period of study by the party organization, beginning when it started to fulfill the new strategic mission. We may call that period the period of "the city's maturization crisis," and may be characterized as "the period of resolving difficulties." In the final analysis, we resolved those difficulties by ourselves and in the final analysis only resolved problems in two major aspects: first, we returned to placing emphasis on people, for a Marx said, "In any of its forms, what is society? The product of mutual relationships between people" (op. cit., a letter to P.V. Annencov); second, we returned to viewing the city in terms of its production capacity. People and material-technical bases are the two most decisive factors with regard to the existence and development of a socialist city.

In a very real sense, in addition to material-technical bases and people, we acquired additional management experience. All three have been important capital since 1979, and will continue to be in the future.

All mistakes must be paid for. But we know that our mistakes during the first years of construction provided us with additional knowledge of management.

It may be said that that was the most all-encompassing victory of that a period, a period which the city's party organization will never forget.

Part Three

Ten Years of Transformation and Construction: Accomplishments and Remaining Problems

Chapter I

Endeavoring To Maintain and Develop the Central Role of Industry

I

The Resolution of the Sixth Plenum of the Party Central Committee, fourth term, in September 1979, signified a turning point in the city's economic management. Previously, under the guidance of the Party Central Committee the Municipal Party Committee issued Resolution 9 in August 1979 (then Resolution 10 in 1980), to overcome the economic decline in 1978-1979 on the basis of taking the initiative in drafting a supplementary plan for state industrial production installations, not depending on the upper echelon, creating its own source of raw materials by forming ties with the provinces in the region, restricting the situation of state enterprise workers being laid off at 70 percent of their salaries because of a lack of raw materials and materials implementing the paying of piecework salaries and salaries according to output, closely combining the three benefits, with adequate attention to the interests of the workers, and restoring and developing production on the basis of stabilizing the workers' living conditions.

The Resolution 6 of the Party Central Committee, and the succeeding resolutions of the Party Central Committee, pointed out the harm done by the bureaucratic-subsidizing administrative mechanism, and many outmoded policies which had been prolonged too long, and set forth measures to unbind production and create conditions for the economic components to develop, including the socialist economic component, which had to advance to playing the leading role in the economy, strongly developing the local economy in a unified relationship according to national economic-technical sectors, encouraging the obtaining of raw materials and scrap materials on the spot, etc.

In the city, at the beginning of 1979 there appeared a number of models in overcoming problems, such as the Soap Powder Corporation of the South, the tobacco enterprise, the 1-9 Pharmaceutical Enterprise, the Saigon brewery, the veterinary medicine enterprise, the Thanh Cong, Phong Phu, Phuoc Long, and Thang Loi textile enterprises, the No 13 jute weaving enterprise, the Caric, Silico, Vinappro, and Singer machinery enterprises, etc. Exemplary was the Soap Powder Corporation of the South, which reorganized production, established ties with the Mekong Delta and central provinces to obtain raw materials and exchange finished products, drafted a plan for production beyond the legal plan, increased the incomes of workers by instituting piecework salaries and salaries based on output, applied the bonus systems more flexibly, provided workers with more goods than the 10 supplied in rationed

amounts, provided noon meals, etc. Tobacco Enterprise Federation II within a period of only 1 month at the end of 1980 produced a quantity of goods equal to 40 percent of the 1980 plan norm in--62 million packs--by resolving its raw materials and materials and applying piecework salaries and salaries based on output. At that time many people were surprised by the enterprises' ability to unleash their production. Many other enterprises, depending on the characteristics of the sector, overcame difficulties, increased productivity, and improved quality and production effectiveness.

The actual situation demonstrated that in the give-and-take struggle between the new and the old, and between the progressive and the backward, things that are in accord with the laws of development and have vital force often appear at the basic level, in the most difficult, complicated places. The municipal party committee was responsive toward the new factors, and with the resolutions of the Party Central Committee lighting the way launched two very important activity campaigns:

First, there was a movement to study and propagate advanced models in each sector, especially in the processing, machinery, and textiles industrial sectors. Second, in addition to assistance from many central-level sectors, the city organized a campaign to inventory warehouses and use materials which had been irrationally stockpiled in accordance with the old mechanism, exhibits were held to introduce the buying and selling of materials, scrap materials, and waste products, authority was given for the basic units to take the initiative and for the units and sectors in the city and in the region to cooperate commercially, which opened the way for cooperation between the central enterprises and the city and the city and the provinces, the production installations were helped to draft secondary production plans with rational price guidelines in order to control the sources of agricultural raw materials for the state enterprises, and direct exporting and importing was promoted to supplement raw materials, materials, and fuels that were in short supply.

Decisions 25/CP and 26/CP of the Council of Ministers on the three-part plans and on paying piecework salaries and salaries based on output in the state industrial enterprises, and Decision 182/CP, on bringing into play the collective mastership right of the workers and civil servants, were the legal bases for the city's initial efforts to resolve its problems.

Since the issuance of the resolution of the Sixth Plenum (fourth term) of the Party Central Committee, the city's industrial production has developed more rapidly. In its upward advance, certain obstacles have been encountered in some aspects at some times, and there has arisen the situation of "the left hand not knowing what the right hand was doing," which harmed the economy, such as the adjustment of enterprise wholesale prices in 1981, some incorrect decisions regarding importing, exporting, and remissions from Vietnamese abroad in 1983, etc. However, the course of acting in accordance with developmental laws has become increasingly steady. Resolutions 6 and 7 of the Party Central Committee (fifth term) in 1984 affirmed that fact. After allowing production to develop in accordance with its developmental laws, the situation underwent a notable transformation.

The total value of industrial, small industry, and handicrafts production increased every year: in 1981 it was 26 percent greater than in 1980. Especially, in 1984 it was 27.1 percent greater than in 1982 and accounted for more than 30 percent of the nation's total value of industrial production. During the past 10 years the industrial labor force has developed well and has increased by 78 percent since 1976. When one takes into consideration the fact that every year the central echelon provide only 30 to 40 percent of the materials called for by the plan, the city's accomplishments in industrial development in recent years have been truly significant, although we have used an average of only about 50 percent of the designed capacity.

With regard to industry's service to agriculture, the foremost front, the city has stressed the development of the machinery sector, the production of many kinds of machines for the cultivation sector (tillers and cultivators), harvesting machinery (rice huskers, corn dehuskers, rice mills), machinery to process agricultural products (the various types of chopping machines, mixers, grinders, potato cutters, etc.), the various kinds of hand tools, mud dredging ships, fishing ships, cargo barges, and passenger ships to serve transportation, etc., to meet the needs of the agricultural front, as well as parts for internal combustion engines, such as cylinder sleeves, batteries, ballbearings, pistons, high-pressure nozzles, and a number of other individual parts. The machinery sector increased its part of the total value of industrial output from 8.3 percent (1976) to 20 percent (1984).

The city's machinery sector has contributed to constructing many processing industry installations for the Mekong Delta provinces by forming economic alliances, and is creating two capabilities: First, the strong development of the machinery sectors manufacturing machine tools and specialized machines to serve the mechanization of agriculture, contributing to the promotion of irrigation, electrification, chemicalization, etc., and advance the region's agriculture a step further toward large-scale production, first of all by improving agricultural implements a processing equipment, and producing spare parts for tractors and the other agricultural machines. Second, there appeared a number of models regarding alliances between agricultural production and industry, such a tying in the growing of reeds, jute, sugarcane, and tobacco with processing, although still on the scale of a state farm, cooperative, or agricultural production collective. The initial economic results provided experience so that we could advance to expanding the scale of such alliance forms, raising the technical level, gradually entering into large-scale specialized cultivation, and creating the premise for improving the quality of agricultural, forestry, and fishing production in the region and creating a stable raw materials area for industry.

The electronics sector was reorganized. In addition to its assembly activities, investment was made in a number of installations to produce components on a contractual basis for foreign countries or for export.

The chemical and metal consumer goods sectors, and such manufacturing sectors as the textiles, clothing, bicycle, bicycle parts, sewing machine, electric fan, plastics, beer, soft drinks, soap powder, pharmaceuticals, and other sectors, increased with regard to bath quantity and quality. In 1984, 70 percent of the primary products of the city's industrial sector surpassed the

annual norm, and many products increased by about 30 percent. Sixteen central-level industrial sectors and 95 percent of the local state enterprises and joint public-private enterprises surpassed the plan norm. The policy of promoting consumer goods in the city (including small industry and handicrafts) practically served the needs of the nation as a whole, of the rural areas, of exports, and of capital accumulation.

Product quality and new products are two other advances made by the city. During the past several years hundreds of new products have been awarded medals and certificates of commendation by the Council of Ministers, the ministries, and a number of fraternal nations. Dozens of new products have attained high quality standards and have been recognized by the Scientific Council and awarded a national quality seal by the state.

Coordination between the scientific-technical research forces and the local quality management organ has resulted in the timely introduction of science and technology into production, the application of research projects, inventions, and technical improvements, the improvement of technology, and the resolution of many difficulties resulting from having to import materials, machinery parts, and raw materials. Furthermore, the city was able to stabilize product lines, technical procedures, product quality, and the consumer market, the most important elements of the process of production and expanded reproduction in industry, and increased the prestige of the city's industrial products.

In places which have stabilized production and expanded their product lines, the living standards of the workers have been improved, additional unemployed workers have been hired, and the political forces have been developed. Nearly all of the workers who left the enterprises in past years have returned.

It is noteworthy that state industry, the ratio of which had been low and declined every year, has during the past 4 years developed well, at a rapid rate (an average increase of 19.7 percent). Its share of the total output value has increased (to about 50 percent, compared to 30 percent in the past). The number of industrial workers has increased 73.17 percent since 1976. State industry has further bolstered its leading role in the city's economy.

Because it was not restrained to any great extent by the bureaucratic-subsidy administrative management mechanism, the small-industry handicrafts sector took the initiative in using domestic raw material, scrap materials, and waste products. Its production increased rather strongly and at a very rapid rate (an average rate of increase of 35 percent a year).

Although small industry was on a small scale, its level of mechanization was rather high. Many machinery industry small industry cooperatives had about 100 machines, employed hundreds of skilled workers, equipped themselves, restored their old equipment, fully utilized scrap materials and waste materials, and produced single units of machine tools. many sectors, such as the bicycle, textiles, rubber, plastic, and other sectors, had great capacities, but because they did not plan, transform, and reorganize, the structure of the small industry-handicrafts sector developed in an unbalanced manner, was still spontaneous in nature, and gave rise to many negative

aspects: the self-consumption ratio was high, the market structure was pursued, product quality was low, counterfeit goods were produced, there was collusion and the theft of state materials, etc.

In fact, the city's small industry-handicrafts sector played a very important role. It produced many varied products, accounted for more than 50 percent of the total value of all production and about 50 percent of the total value of the nation's small industry-handicrafts sector. The workers and the highly skilled craftsmen were a great resource of the city in producing consumer goods and export goods, and were an effective satellite network for state industry in developing the central role of large-scale industry in the region and nationally.

At present the city has 24,659 small industry-handicrafts installations with 170,000 workers (the number of small industry-handicrafts workers has increased by 80 percent in comparison to 1976). Sixty percent of those workers earn their livings cooperatively in cooperatives or cooperative teams. The collective sector accounts for more than 23 percent of the total value of industrial output and is tending to increase. The collective sector has increased 250 percent since 1976.

In capital construction, investment from the city's budget was more than two times the capital provided by the central echelon during the past several years. Sixty projects have been completed and the slogans "The central, local, and basic levels work together" and "The state and the people work together" have been effectively implemented." In addition to the cultural and public welfare projects, the city set aside 32.7 percent of its investment for industry. However, the level of investment is still low and dispersed, and the order of priority has not been closely followed. Especially, the infrastructure was in poor condition and had deteriorated to a serious degree but there was no investment to carry out timely repairs.

The city's transportation and posts-and-telecommunications sectors, which play very important roles in economic development, have gradually been strengthened. The volume of water-borne transportation accounts for 19 percent of the total transportation volume (compared to only 10 percent in the past) and a maritime cargo ship unit has begun to be developed. In general, the transportation sector is still restricted in many respects. There is a shortage of spare parts, and roads, bridges, storage yards, and material-technical bases do not yet meet the requirements of transportation and communications to serve production and life.

II

The actual situation of industrial production management in the city during the past 10 years has increasingly affirmed the viewpoint of the party as manifested in Resolution 01 of the Political Bureau on the work of Ho Chi Minh City, and helped the party organization learn valuable lessons.

The most important lesson learned in managing a large industrial city was the viewpoint and awareness of the positions, characteristics, and responsibility of the city. The September 1982 Political Bureau Resolution 01 on the work of

Ho Chi Minh City was the most incisive recapitulation by our party on the economic-social management of a city, and illuminated both the strategic problems of the nation and the specific, vital problems of the city.

Ho Chi Minh City is an economic center with greater industrial production capacity, thriving small industry and handicrafts, highly skilled workers and handicraft craftsmen, and large scientific-technical forces with skill and experience, including experience in organization and management, who are familiar with modern technology and the science of managing large-scale production, and who have economic minds, have extensive relationships with foreign markets, and keep abreast of international tastes. The city has a relatively modern material infrastructure and is a convenient hub for international maritime and air travel.

The city's missions are to develop industry to serve agricultural, forestry, and fishing production to create an economic alliance between industry and agriculture on a regional scale and gradually form a rational economic structure, i.e. fully utilize all potential regarding natural resources, land, labor, sectors and trades, and the existing material-technical bases of the city and the provinces in the region, and creating stable raw materials areas to serve industrial production in the city. Industrial production in the city not only supplies production means for agriculture but, even more important, changes the quality of agricultural, forestry, and fishing production throughout the region, advances agriculture, forestry, and fishing to large-scale production, and gradually creates the material-technical bases for forming an industrial-agricultural structure in the city and throughout the region.

The central industrial city and the region as a whole have formed a single economic entity through centuries of development. If the city is separated from the region or vice versa, neither can develop. The experiences in integrating the economy of the city with those of the provinces in recent years have affirmed that law, despite certain problems and limitations in some regards. The recent resolution of the Sixth Plenum (fifth term) of the Party Central Committee pointed out the direction of more comprehensive, broader integration, and demonstrated that division based on the outmoded self-sufficiency concept was inappropriate.

With regard to the city itself, the lesson regarding guidance of the development of industrial, small industry, and handicraft production is to concentrate first of all on developing state industry and enabling it to increasingly play a leading role in the economy. That will both have the significance of bringing the common development of the economy into the orbit of socialism, and create conditions for transforming small industry and handicrafts, which include many components, and firmly grasping the proletarian dictatorship on the other fronts. That can be accomplished only under the conditions of breaking up the bureaucratic-subsidy administrative management mechanism and shifting over entirely to socialist economic accounting, for that outmoded mechanism is dangerous in that it tightly binds the hands of state industry while also creating conditions for the spontaneous, unorganized development of the collective and private economy, is the source of negativism in contracting out, results in the loss of state

materials and raw materials, and prevents the state from controlling production. In fact, in recent years only about one-third of the state installations have been able to overcome their problems so additional efforts must be made to oppose the very complicated restrictions of the old mechanism.

The lessons learned in overcoming the subsidizing administrative mechanism have two outstanding specific features: the sectors, especially the combined sectors (prices, finance, banking, materials, and foreign trade) must truly create all necessary conditions for the basic units to take the initiative and balance their production plans in an active manner, from the four sources of capabilities; second, the basic units must have conditions for harmoniously combining the three interests, among which adequate attention must be paid to the economic interests of the workers. Lenin said, "The advance to socialism is not based directly on enthusiasm, but on enthusiasm created by the great revolution, by encouraging individual interests, by the personal concern of individuals, and by applying the system of economic accounting" and "Socialism not only does not oppose the factor of individual incentives, but increases to the maximum degree the role of that factor by creating concern on the part of the producer for the results of individual efforts as well as the results of society. To regard lightly any one of the three interests is to sabotage the socialist commercial principles and lead to the peril of disintegrating the factors which stimulate economic development." (Footnote 4) (Lenin, "Collected Works," Progress Publishing House, Moscow, 1978, vol 44, p 189)

The greatest accomplishment during the past 10 years has been that the party organization and people of the city have gradually transformed it from a consumer city into a production labor city, which both contributes notably to the industrial output of the region and the nation and creates new workers with an industrial work style. The development of industrial production will strengthen the ranks of the industrial workers, the most fundamental type of worker in the process of forming new, comprehensively developed people. The new socialist man can be perfected only in the environment of socialist industrialization.

Furthermore, if the city can be said to have "produced more with fewer materials and less energy," that great accomplishment has been due primarily to the workers, to the white-collar and blue-collar workers who have devoted their hearts and minds to socialism, although still encountering many difficulties in their lives.

From the lessons learned in economic management in a central industrial center, we have learned a more general lesson about the way to view and evaluate industrial workers in the city, and the way to view and evaluate the city's economic potential.

However, on that important front there are still many remaining problems in the city, outstanding among which are the following eight problems:

First, the party's viewpoint of regarding the city and the region as a single entity has not been fully understood among the echelons and sectors. The tendency toward dispersion, division, and localism are still rather great obstacles. Only about 50 percent of the city's industrial capacity is

utilized (1984), but the tendencies in the city and in the region are at odds with each other. In many localities there have been developed many small industrial installations with low technical levels and productivity and unstable quality.

The situation of dispersal or, more correctly, the "centrifugal" tendency, in industry has resulted in great waste in society at large, to the extent that it has brought back the situation of self-sufficiency and fragmentation. Therefore, there must be an all-encompassing viewpoint that takes into consideration the interests of both the region and the city, on the basis of which to redefine area planning, draft plans to carry out division of labor and decentralization among all phases, from preliminary processing to final processing, and rationally combine the provinces and the city in accordance with a unified plan in order to utilize the potential of the city and the region. Tardiness in drafting an over-all plan for the city which is tied in with the over-all plans of the region and the nation is a major deficiency.

Second, the city itself must make greater efforts to grasp more fully and specifically the very diverse needs of the domestic and foreign markets, and on that basis draft for itself a strategy regarding the product line of its main industries, one which corresponds to its capability, prospects, role, and central missions. At present exported industrial goods still account for an excessively small part of the city's total export value. Very great efforts must be made so that the city can soon become an exporting city, including the export of industrial goods and industrial services (shipbuilding and repair, etc.). That is something that can be accomplished.

Third, although in the city's scientific-technical activities many accomplishments have been made in serving production, in comparison to the city's central missions and potential, they are still very limited and the application of technical advances to production is still proceeding slowly. Science has not yet become a direct production force.

Fourth, we have not yet promoted in-depth investment, overcome the situation of paralysis, completed the elements of the production line, coordinated the industrial sectors in the city and the region so that they can supplement one another, including the central, army, and local installations, and increase the rate of industrial development, especially the machinery, electronics, refining, and other industries. There is an incorrect viewpoint that the city need not make further investment because its material-technical bases are already rather strong. In fact, if in the near future adequate investment is not made in the city's industry (for repairs, replacement, completion, and expansion), its capacity will decline.

Fifth, it is also of necessary to oppose another incorrect viewpoint, that the city is only capable of developing light industry and industries producing consumer goods, but that it is unnecessary to develop heavy industry. That is the old way of viewing industrial development, one that does not realize that the decisive conditions for an all-around industrial base (both light and heavy) is the technical level, and that Ho Chi Minh City is fully capable of meeting that condition. that is not to mention oil, gas, bauxite, etc., which are important raw materials for heavy industry. Time will be required

to form heavy industry installations, so planning step-by-step investment has become extremely necessary in the city.

Sixth, our method of management has not been renovated at the root, so there still exists the situation of product sample attaining high quality and receiving awards but of their utilization value declining greatly when mass produced. That is the disease of being more concerned with propaganda than production, which must be overcome.

Seventh, our concept of modernizing industry must be appropriate. We must know how to combine the world's modern technology with our actual capability in order to achieve maximum results. Japan is a country with very modern science and technology but still uses abacuses alongside electronic computers, which results in very high effectiveness. We must avoid two tendencies:

Chasing after modern technology and a high degree of automation, and a time when the infrastructure and conditions for ensuring continuous production and maintaining those facilities are insufficient.

Conservatism and satisfaction with old, outmoded technology and machinery, and not daring to boldly invest in improving equipment and using new equipment to increase labor productivity.

Furthermore, in building an industrial structure under our conditions it is not necessary to build large factories. We can, instead, form an industrial structure with "many layers," in which modern enterprises lead the way and there is a system of satellite subcontractors made up of many economic components, including the family economy, the technical level of which is becomes increasingly sophisticated.

Eighth, although the collective mastership right of the working people and civil servants has been stipulated by the state (the most important stipulation is Decision 182/CP of the Council of Ministers). Of course, it is necessary to continue to perfect that right but its implementation is not yet uniform, democratic management in many cooperatives and production cooperative teams is not yet good, and the political forces in the production sector are still too thin. Those factors, added to many other negative phenomena and inertia in organizing and deploying cadres, have exerted a definite negative influence on the labor enthusiasm of producers, and on the productivity, quality, and production effectiveness of many places.

In brief, in the course of 10 years of managing industrial, small industry, and handicrafts production in the central city, the party organization has had many successes and failures and has done much groping and encountered many difficulties and obstacles. The principal obstacle is still the bureaucratic-subsidizing administrative management structure, which we are endeavoring to correct.

In 1979, after the issuance of the resolution of the Sixth Plenum (fourth term) of the Party Central Committee, although there had been no stipulations codifying the spirit of the party resolution with regard to the government and the ministries in order to accelerate the process of resolving difficulties,

the municipal party committee, with the guidance of the Party Central Committee, made many all-out efforts in that direction. In the process of resolving difficulties in the city, the installations which did a good job were also impeded in many ways by incorrect viewpoints. Only with the issuance of resolutions 6 and 7 of the Party Central Committee (fifth term) in 1984 were the correct viewpoints of the party clarified. However, after resolutions 6 and 7 of the Party Central Committee (fifth term), although the Council of Ministers had not yet issued Decision 156/HDBT stressing the necessity to change the old management mechanism over completely to socialist commercial accounting, a number of sectors, especially the combined sectors, were still groping along because of outmoded, conservative attitudes which had not been amended so that they could be in accord with the spirit of the party resolutions. That made it even more evident that each locality and sector had to, on the basis of the Party Central Committee resolutions, boldly resolve problems and carry out experiments in order to positively increase the rate of economic development, especially in industry.

The goal of the formation of a regional industrial-agricultural structure including the city, the Mekong Delta, and the provinces of eastern Nam Bo, central Vietnam, and the Central Highlands, has always been the most important--and most difficult--goal and demands that the party organization and people of the city, the echelons, and sectors, and the localities make all-out efforts, coordinate harmoniously, dare to think and do, and dare to accept responsibility, for only thereby can the goal be attained in the future. Furthermore, there must be more concentrated guidance and investment by the central echelon in order to accelerate the process of attaining that goal.

Chapter II

The Rural Areas Outside the City: From "No Man's Land" to "Green Belt"

I

Ten years of developing the rural areas outside the city are a very brief period in comparison to 30 years of devastation, and are also too brief a period in comparison to the volume of work that must be done to profoundly change the face of agriculture in rural areas outside the city in accordance with the socialist standards.

The damage done in the outskirts and hinterland of the capital by the United States and its puppets during the war was truly great: two-thirds of the land was abandoned, partly because of bombing, shelling, and poisonous chemicals, and partly because of booby-traps. Most of the peasants in areas outside the city who had been separated from their fields to live in the strategic hamlets, cities, and towns, or in the city itself, after the liberation returned to their old areas with nothing but the shirts on their backs. "No man's land" meant not only the absence of vegetation on the land but also an absence of people, the primary resource.

That is not to mention the more distant past, which left us with rural areas that had not been developed uniformly. Some places were in contact with the life of the city, and some places were practically deserted; although they were not far from the city, in general they were still in the small-scale production, spontaneous development stage, and especially had not been zoned along the lines of selecting the optimal capabilities of the land and their role in the belt around the city.

The great undertaking of developing the city's rural areas during the past 10 years, with material bases that were still poor, passed through infantile phases in the enterprise of building socialism, which was still something very new for us. It was truly a difficult task. The process of advance in the rural areas outside the city may be divided into three principal phases:

1. The period from 1975 to 1978: restoring greenery to the desolate land and stabilizing the lives of the peasants.

Immediately after the city was liberated, setting up a revolutionary administration in the countryside and stabilizing the political situation and the lives of the peasants were foremost concerns of the party organization. Seventy thousand hectares of abandoned agricultural land were opened up at a price that had to be paid in blood. The irrigation movement mobilized millions of man days by all strata of people in and around the city and increased the cultivated area from 45,000 hectares to 115,000 hectares. Rice output increased from 95,000 tons in 1975 to 164,000 tons in 1976. After only 1 year the "no man's land" that had been plowed up by bombs and shells was covered with green vegetation.

In its mission of continuing to complete the national democratic revolution in the rural areas, the city nationalized 30,000 hectares of land belonging to landlords and reactionary comprador capitalists, recovered 3,377 hectares, and divided the land among 6,000 peasant households with little or no land. In 1977 we began to set up production solidarity teams, production collectives, four state farms, and a number of district enterprises. Cultural-social activities began to revive.

2. The years 1978 and 1979, a period of encountering difficulties in transforming agriculture and developing the rural areas.

During that time, the city carried out the transformation of agriculture on a broad scale and at a rapid rate, and planned to complete that task in 1979. The transformation of industry and commerce within the city and in the towns was carried out at the same time. However, during that period many factors negatively affected the situation in rural areas outside the city.

One natural disaster after another inflicted heavy damage and the border war situation was tense. Because of poor basic studies, planning, and designing, many irrigation projects outside the city were ineffective and in some places had to be abandoned. In the cooperativization of agriculture, because of impatience, being simplistic, failing to prepare support conditions, and especially because our method of managing production in the bureaucratic-subsidizing administration manner did not encourage cooperative members to participate enthusiastically in production, nearly all of the agricultural collectives and cooperatives were unstable. Half were disbanded and the rest did not develop well, which seriously affected the lives of the peasants. The effects on the rural areas of the deficiencies in transforming industry and agriculture also caused the market price relations to fluctuate rapidly.

Against that difficult background, the reactionaries stepped up their sabotage activities, including a number of armed activities and psychological warfare schemes. They hoped to raise rebellions in the rural areas.

But also during that time the peasants in areas around the city remained in the fields and produced diligently. The movement for youths to volunteer for Assault Youth service, the movement to enlist in the army to save the nation, and the movements to create a defensive belt around the city and build welfare installations for the rural areas were maintained. That further affirmed the revolutionary nature of the rural areas around the city, which are devoted to the party. However, allowing the worker-peasant alliance to be harmed during that phase was a serious deficiency of the party organization.

3. Since 1980, with the renovation of the economic management mechanism the rural areas have developed comprehensively and in the right direction.

The turning point in the rural areas outside the city began with the resolution of the Sixth Plenum (fourth term) of the Party Central Committee and Directive 100 of the Secretariat of the Party Central Committee on contracting total output to groups and individual workers. On the basis of the guiding viewpoints of the Party Central Committee, the Municipal Party

Committee issued a more comprehensive policy and guidelines for the rural areas around the city, which affirmed that the rural areas around the city play an important role in providing sufficient food for the agricultural population, providing part of the food products and produce needed by the city, providing raw materials for the processing industries, and participating in exports. The areas around the city needed to be formed into food-production belts and short-term industrial crop belts with high quality. The transformation of agriculture had to be tied in with building a new countryside and with the transformation of industry and commerce so that agricultural products did not pass through the hands of private merchants. It was necessary to implement the collective mastership mechanism at the village level, develop the districts, enable industry, science, and technology to positively affect the agricultural front and form an industrial-agricultural alliance, and especially to promote a number of primary sectors--agriculture, forestry, fishing, small industry and handicrafts, commerce, exports, and imports--forming a number of specialized cultivation areas and high-yield rice areas, strengthen the cultural-ideological work, and build the political forces.

II

During the first years of the 1980's, the city increasingly concretized the directions and methods of advance of the rural areas outside the city and achieved encouraging results.

The areas outside the city gradually formed specialized vegetable-growing areas, increasing their area from a few hundred hectares in 1976 to 4,000 hectares, met more than 60 percent of the city's need for vegetables and provided vegetables for export. The specialized vegetable-growing areas have rather solid material-technical bases (water, seeds, electricity, etc.), produce stably, and have many capabilities for strong development.

Grain production was an outstanding accomplishment. The grain output increased from 164,000 tons in 1976 to 250,000 tons in 1984. The average grain output per agricultural worker was 400 kg per person in 1982 and 450 kg per person in 1983. The grain output increased 2.7 times over 1975. The average yield was 3.08 tons per hectare. The demonstration fields were expanded and there now exists high-yield rice areas amounting to 20,000 hectares in the districts outside the city. In some places yields are between 10 to 12 tons per hectare (two seasons).

Beginning with a situation of 80 percent of the land being affected by salinity, the city improved the land in a corridor from western Cu Chi District to Binh Chanh and Duyen Hai, which transformed areas which formerly could not be used for production, especially the "dead land area" in Duyen Hai, which was devastated by poisonous chemicals, into areas which could be cultivated, and have been developed into state farms growing industrial crops and growing aquatic products and brackish-water shrimp, combined with the development of small industry-handicrafts trades, thus both maintaining living conditions and producing products for export. In guiding commerce, the state farms which formerly operated at a deficit now apply forms of output contracting, determine correct production directions, and adopt combined

commercial modes to form agricultural-industrial models, such as the An Ha state farm, so they operate effectively. As for exports, in 1984 they were valued at 20 million rubles-dollars and are capable of increasing greatly.

With regard to industry, the city adopted the policy of developing a number of principal industrial crops which were appropriate to each type of soil, to supply export goods and raw materials for industry, such as peanuts, pineapples, sugarcane, tobacco, etc. Peanuts and tobacco are two consumer industrial crops with high export value which are concentrated primarily in the gray soil area of Cu Chi. Sugarcane has developed stably and is tending to gradually increase in the areas along the Saigon River. During the recent period, sugarcane produced by state farms in low-lying areas and alum-soil areas has provided good yields. That, and the expansion of such trades as sugar refining, alcohol distilling, paper pulp making, etc., have created additional jobs and increased the incomes of state farm workers and the people.

Although difficulties are still encountered with regard to raw materials, livestock feed, and breeding stock, during the past 10 years the numbers of livestock, poultry, etc., have been maintained developed. Since the liberation the number of hogs has doubled, the number of water buffaloes and cattle has tended to gradually increase, poultry have been stabilized and consolidated, and animal husbandry has met some of the city's food products needs and provided products for export. The state animal husbandry sector in the city and in the precincts and districts has also been consolidated and has advanced to playing a leading role. The veterinary medicine sector has done a relatively good job of organizing its network and prevented the occurrence of major epidemics. Although they have had to obtain their own raw materials (the state does not provide notable amounts), the animal feed enterprises have continued to operate and supply feed for livestock and poultry raised by industrial methods, and have provided part of the feed needed by family animal husbandry. The merger of animal husbandry and the processing of feed and the reduction of middlemen has opened up better development prospects and resulted in economic effectiveness.

With regard to forestry, the city has planted 21,000 additional mangrove trees in Rung Sac (Duyen Hai), which had been completely defoliated. That area is being expanded. The districts outside the city have plans to plant additional trees to obtain raw materials and fuel for the city. Furthermore, the city has formed an alliance with Dac Nong (Dac Lac) in forest exploitation and afforestation, which has economically benefited both parties, and has begun to participate in the forestry planning of Laos on a large scale and in the long range.

Agricultural cooperativization, which at first made missteps, now has a better operational mode and observes the principles "voluntariness, democratic management, and mutual benefit," especially has applied the method of contracting out output, has improved the people's living conditions, and has been combined with the agricultural-industrial-commercial-credit-export model and the development of all-around agricultural cooperatives.

The land adjustment work, which previously was carried out slowly, has been combined with the movement to encourage the people to follow the path of cooperativization. In 1984, 25,405 additional peasant households brought 19,881 hectares of land into collectives and set up 229 additional collectives and 46 agricultural production cooperatives. By the end of 1984, 70 percent of the the peasant households and land had been collectivized. Precinct 8, Tan Binh Precinct, Go Vap Precinct, and Nha Be, Cu Chi, and Duyen Hai districts have essentially completed cooperativization, the prevalent form being production collectives. Many agricultural collection and cooperatives have gradually demonstrated the superiority of the collective way of livelihood. About 80 percent of the cooperatives and production collectives have implemented the contracting of output to groups and individual workers in agriculture. The grain obligations and annual agricultural taxes have attained the norms.

Cu Chi District transformed the Quyet Thang 1 cooperative in Binh My village into a comprehensively developed cooperative, along the lines of an agricultural-industrial-commercial-credit-service-and export economic structure, which brought about high economic effectiveness. In the past that cooperative only grew rice, so it not only could not accumulate capital to expand reproduction but was in debt, to the extent that in some years the state had to provide famine relief for the cooperative members. In mid-1983 the Quyet Thang 1 cooperative readily accepted the guidance of the party, quickly set its production-commercial course, rationally arranged its crop and livestock structure, and developed its sectors and trades along the lines of intensive cultivation, increasing yields, and engaging in combined commerce. In 1984 its total value of its agricultural and trades production was four times greater than in 1982. The cooperative members' living standards were raised. At present the cooperative has the rather large scale of 855 hectares, 465 hectares of which are cultivated, and it has dozens of trades. The agricultural-industrial-commercial-credit-export cooperative model has been propagated rather extensively.

With regard to material-technical bases and the application of technical advances to agriculture, we built a number of important water conservancy systems with nine central pumping stations and 2,000 kilometers of canals, ditches, and dredged river channels. Hundreds of wells were dug by industrial and semi-industrial methods, and tens of thousands of wells were dug manually. Hundreds of kilometers of medium-voltage and low-voltage lines were laid to areas specializing in growing vegetable and industrial crops. A number of stations, farms, and small machine shops, and an agricultural seedstock center were built in the municipality. Soil preparation was mechanized on about 20 percent of the cultivated area. A number of specialized cultivation areas were formed and completed. Construction began on a number of projects of historic importance, such as the Duyen Hai road and the Dong Cu Chi canal. Furthermore, applying the slogan "The state and the people work together," the city constructed additional cultural and public welfare installations, such as schools, hospitals clinics, and cultural, physical education, and sports facilities, and constructed "friendship houses" for the families of disabled veterans and servicemen and families with merit toward the revolution.

In distribution and circulation, we transformed and reorganized private commerce in order to manage products and prices, accompanied by the expansion of the socialist commercial system, including 42 corporations, more than 100 district stores, 85 marketing cooperatives, and 670 stores and stalls, managed 80 markets in suburban precincts, districts, subprecincts, and villages, set up credit cooperatives, etc., which contributed to positively serving production and life in rural areas.

Political security and social order and safety were maintained. All annual military service obligation norms were attained. The district and village security and military forces were consolidated and strengthened with regard to politics, ideology, moral quality, and professional skills, and the militia and self-defense forces at the village and hamlet levels were developed rather well.

The task of developing the districts and strengthening the district echelon was carried out well, with nine contents: drafting subplans and plans, building material-technical bases, organizing production, distributing labor forces, transforming production relations, cultural-social development, and supporting security and national defense, while strengthening organization and activities at the village level, and training cadres for the districts and villages. Although the over-all plans of the districts were not yet complete, they were bases for plans to effectively use land, labor, and trades. Nearly all of the districts drafted comprehensive plans and made good progress. There are no longer any deficient districts. Many places effectively implemented the village organizational mechanism. The city at an early date determined that the district and village levels were planning and budgetary levels which had many autonomous rights, so they were self-reliant, creative, and mature in many aspects of economic-social management.

Along with the party and governmental systems, the system of mass organizations was further bolstered and the peasants' association attracted 50 percent of the agricultural workers.

The form of "sister" relations between districts and the inner city precincts and between the villages and subprecincts not only had political significance but enabled them to assist one another to achieve more comprehensive economic-social development.

III

During the past 10 years the rural areas outside the city underwent a rather clear transformation, which was a very important accomplishment. From that accomplishment, the city has learned lessons regarding the city's common development.

First of all, the rural areas outside the city are semi-industrial, semi-agricultural areas in which industrial crops and animal husbandry account for an important part of the output. They surround the central city in the region. Of course, we cannot make the rate of development of the areas outside the city the yardstick for measuring the degree of formation of the industrial-agricultural structure and the alliance between the city and rural

areas. The effect of the industrial city on the South as a whole is much greater, of which the areas outside the city are models. Therefore, the development plans of the rural areas outside the city must be appropriate to their characteristics of their having little land and being near an industrial center. Those are favorable conditions for determining the types of crops and livestock that are most productive and economically effective for both the areas outside the city and the central city itself. During the recent period the city has determined a correct course and implementation measures for the rural areas outside the city. In addition to the intensive cultivation of rice and the formation of a vegetable belt we have created areas specializing in the cultivation of industrial crops and livestock raising, so economic-social effectiveness has steadily increased. The experiences in developing the rural areas outside the city have contributed to experience in integrating the city and the region with regard to industry and agriculture. However, roads and transportation facilities, the most essential infrastructure for the economic-cultural development of the rural areas outside the city, have not received adequate investment and attention. Strictly speaking, the present rate of development of the areas outside the city does not yet truly correspond to their characteristics and priority, and to the responsibility of the whole.

Furthermore, because they have historically been closely related to the city, the material lives and morale of the peasants in areas outside the city have higher requirements than in other rural areas: the peasants have had contact with industrial production, with bourgeois democracy, and with urban culture or, in general, with the capitalist way of life. Therefore, the goal of improving material living conditions could not be the same as in other areas. The meeting of cultural needs and the level of implementation of socialist democracy in the villages had to be the same as in the inner-city precincts, especially in the villages that had been urbanized, in order to repulse such inherent negative aspects of rural areas as superstition, drinking, gambling, etc., create true motivation for the peasants, and develop the rural areas that correspond to the level of the city's outskirts. That requires a corps of cadres with good moral quality, who are capable, and especially who have an industrial viewpoint toward the rural areas.

Agricultural labor is at present not fully utilized and the average is less than 200 work-days a year. That is a great waste. In planning and reorganizing production, and deploying labor, in the rural areas outside the city, the district and village administrations and the state farms and construction sites in the rural areas must help the cooperatives and production collectives develop sectors and trades, fully utilize land and water, and apply technical advances to increase labor productivity and fully utilize the plentiful labor resources of the rural areas outside the city. That can only be accomplished by means of all-around investment in the rural areas to create conditions for the villages and cooperatives to take the initiative (to carry out a division of labor and decentralization to a greater extent), use the strength of the rural areas to develop the rural areas, not be dependent, break the bonds of the bureaucratic-subsidizing administrative management mechanism, and perfect the agricultural-industrial-commercial-credit-export model and accumulate capital for rural development.

Much progress has been made in cooperativizing agriculture, especially thanks to such correct policies as contracting output, combining production with commerce, and combining the transformation of agriculture with the transformation of commerce. However, a rather large number of middle peasants still have not entered the cooperatives. If that economic component is strongly influenced by the results of the collective way of livelihood, as during the recent period, the transformation of agriculture will be more solid and will soon be completed.

The mechanism of the party leading, the governmental administration managing, and the people serving as the masters in the rural areas, especially in the agricultural cooperatives and production collectives, must be perfected in accordance with Decision 26 of the municipal party committee on the village-level organizational mechanism. The collective peasants' association is still confused with regard to the contents and directions of its activities. In actual practice, it is necessary to recapitulate experiences in greater depth with regard to that new type of organization.

In the end, the greatest problem with regard to the peasants is still the economic policy, manifested in the form of the price policy. In comparison to the past, the rice output of the areas outside the city has greatly increased, but the lives of the peasants in the rice monoculture areas are still very difficult because the price of rice does not correspond to the prices of agricultural materials and manufactured goods. The improvement of economic relationships, at present the key matter with regard to the worker-peasant alliance, is related to the common problems of the national situation, at a higher level than the municipality. However, within the authority of the locality the municipality may still take appropriate corrective action to create the premise for general improvement.

In the foreseeable future, the Dau Tieng reservoir will have a decisive effect on water conservancy north-west of the city, and the development rate in Duyen Hai District will be accelerated. Those things, added to the expansion of industry in the city--including such new sectors as the petrochemical sector--and the additional source of energy resulting from the completion of the Dong Nai River hydroelectricity system, will enable the rural areas outside the city to take an important great leap forward.

Chapter III

Becoming Even More Worthy of Its Responsibility as a Scientific-Technical Center

I

The concluding report of the Secretariat of the Party Central Committee after its work session with the city in September 1980, affirmed that "Ho Chi Minh City has a very great position and responsibility in the nation's socialist industrialization."

Evaluating the city's scientific-technical potential, the municipal party committee's resolution on the scientific-technical work in 1977 "Ho Chi Minh City has an important corps of scientific-technical cadres that is rather large numerically, is largely young, has many advantages with regard to its structure of sectors and trades, its level, its fields of technical specialization, and its social and age composition. Its scientific-technical capabilities are very rich and varied. It may be said that it is the center of convergence of scientific-technical knowledge and capabilities of nearly all advanced agricultural countries of the world." (Footnote 5) (Resolution 42/NQ-TU on the Scientific-Technical Work, 1977, pp 11-12)

In addition to its scientific-technical corps, the city took over management of rather modern scientific-technical bases, from the central research institutes of many scientific sectors to the scientific stations and farms. Furthermore, it has favorable conditions with regard to the rather highly developed industrial-agricultural bases of the region, especially the Saigon-Bien Hoa industrial center, which serves as an environment for application and experimentation.

Understanding the key importance of the scientific-technical revolution, and the city's central scientific-technical role vis-a-vis the region, in 1977 the party organization affirmed that the city's scientific-technical work must serve the political missions, combine scientific-technical planning with economic-social development planning, and research scientific-technical advances and apply them to production, life, security, national defense, economic management, and social management. We began to put scientific-technical management onto the right track and carry out basic studies, with a unified program in the city.

In recent years, under the guidance of the Party Central Committee (Resolution 37 of the Political Bureau on the scientific-technical policy), the city has given the scientific-technical work a more comprehensive and specific role: science and technology must "contribute to reorganizing production, increasing labor productivity, improving product quality, rapidly increasing the production of valuable export goods, creating the new man and the new culture, combining applied research with basic research, and combining natural science, science, and technology with social science research and management science in order to contribute to fulfilling the city's political missions, while also

creating new capabilities for the development of the city and the region." (Footnote 6) (Resolution of the Third Congress of the Municipal Party Organization, 1982, p 79)

Over the course of 10 years of struggle in that sphere the city achieved important accomplishments:

With regard to the application of scientific-technical advances to production and life, there was coordination between the forces of the Municipal Scientific-Technical Commission and the colleges, the measurements standards and product quality centers, the scientific research institutes, the trial production institutes, the scientific-technical associations and clubs, etc., which resolved problems regarding replacement parts, materials, and chemicals made from domestic raw materials. Progress was made with regard to new manufactured products with high quality, such as the application and production of electricity transmission cables made of aluminum, various kinds of specialized agricultural and technical machinery, and various kinds of cloth, ice-cream, electric fans, bicycles for export, sugar centrifuge machines, etc. Product plans were studied and stabilized and technical procedures were stabilized, which created conditions for in-depth investment, increasing the level of utilization of the equipment's capacity, and producing many consumer products and export products. The measurements standards and quality department of the Municipal Scientific-Technical Commission, along with Center 3, set up a product quality control network extending down to the stations, precincts, districts, etc., which has contributed to improving the quality of industrial, small industry, and handicrafts goods. Of course, ensuring product quality is still something for which we must struggle very persistently, and must coordinate many aspects and economic, educational, administrative and organizational measures, but the initial impact of science and technology has been considerable. In agriculture, there have been accomplishments in exploiting underground water to serve the city's food belt; in cross-breeding and adapting crop varieties and livestock breeds to serve the development of livestock, poultry, and new rice varieties which provide high yields and are resistant to insects, diseases, acidic and saline soil, etc.; and creating high-yield rice areas and high-grade vegetable varieties--such as corn, cabbage, cauliflower, tomato, etc.--which can be exported, and short-range and long-range industrial crops. We are creating additional capabilities to develop secondary sources of energy, such as biogas, solar energy, wind, tides, and electricity generators fueled by rice husks.

With regard to the region, the city's scientific-technical forces have coordinated with Agricultural College No 4 and Can Tho University in researching plant varieties and livestock breeds, at an early date started a microbiology research programs and effectively applied its results to production and crop protection, contributed importantly to the formation of high-yield rice areas in Tien Giang and other places, and began to create the model of organizing scientific-production combines. A program to draft an over-all plan for the Mekong Delta, which is underway and has produced initial results, will provide especially important scientific bases for that region's promising future.

The management science and social science sectors, in coordination with the natural science sector, have contributed to drafting an agenda to improve the economic management mechanism, rationalize distribution of labor and decentralization, drafting a Municipal Party Committee resolution on industry, science, and technology serving the rural areas outside the city and the Mekong Delta, carried out many basic study programs regarding the natural and social conditions serving research regarding the city's class differentiation in the initial phase of the period of transition, and drafted a preliminary general development plan for the city that was tied in with the region and with the other parts of the country. Many important historical, cultural, and social research projects, including the preparation of a "Cultural Address Book" for the city, a recapitulation of the anti-U.S. war for national salvation in the city, and other projects on "Three Hundred Years of Ho Chi Minh City," the cultural and artistic history of the city, the history of the city's press, and its economic geography have been completed or are in progress. Those projects have been carried out with the coordination between the scientific research bases in the city and the scientific centers in Can Tho, Hanoi, etc. The accomplishments in scientific research and the application of technical advances in the fields of education, public health, water conservancy, construction, etc., have produced real results in serving life and production. A number of prestigious projects have been acknowledged by many international conferences and have won many international prizes.

Scientific research and the application of scientific-technical advances have not been restricted to scientists and management cadres, but have become a movement among workers, peasants, and youths. Every year there are tens of thousands of initiatives to improve techniques, increase productivity, and rationalize production. Many enterprises, subprecincts, and villages have also set up scientific-technical teams to serve production development plans in a practical way and be concerned with living conditions. Among youths, in addition to organizing vocational training and holding competitions to select skilled young workers, there are "young scientific creators" organizations and there have been set up scientific-technical clubs at the municipal and precinct levels. In 1984 youths carried out more than 136 research projects to apply scientific-technical advances. The movement for youths to "advance into science and technology" has recently made progress. That indicates the great potential of an age group which is maturing and wants to contribute much to social life.

The city has long-range scientific-technical research and experimentation installations, such as tropical, environmental, and population institute departments, a nuclear physics research element, a geology group, and activities regarding the oil-and-gas industry, rubber processing, the manufacture of electronic components, etc.

At present there are in the city 113 scientific-technical units managed by the central and municipal echelons, including research institutes, scientific management organs, colleges, installations for cadre training, trial production, the application of technical advances, measurements management, and product standards and quality, crop variety and livestock breed centers, centers for polytechnical training and foreign language training, translation research, technical services, and scientific-technical information, an

economic management institute, scientific-technical clubs, stations and farms, science-production combines, and intersectoral scientific associations, the Municipal Scientific-Technical Federation (previously the Municipal Patriotic Intellectuals Association), etc. The United Nation and other international organizations have financed such organizations as the tropical and environmental institutes, which are operating well. The nuclear physics institute research department has begun operations. That, and the "Hoa Sen " satellite project, with the assistance of the Soviet Union, are helping the city enter deeply into the basic scientific fields.

With regard to the scientific-technical cadres, the city has adopted many specific policies, built up and developed a corps of scientific-technical intellectuals from many sources and sectors and at many different levels, and created conditions for them to units with and supplement one another, and to contribute to the common cause. At present the city has more than 50,000 cadres with college and postgraduate backgrounds (amounting to one-sixth of the nation's scientific-technical cadres), and 65,000 technical workers, three times more than just after the liberation. Vietnamese who have returned to their country from abroad have also contributed to the development of science and technology in the city. In the process of building up the corps of scientific-technical cadres, the city has combined research with instruction, trial production, and the application of technical advances to production, and has both raised their political level and trained them deeply in their specialty. By those methods it has gradually created consciousness regarding the use and development of science and technology at the basic level, both among management cadres and among specialized technical cadres.

II

Due to historical conditions, science and technology in Ho Chi Minh City predates their presence in other parts of our country. The demands of a developed commodity economy encouraged the early application of science and technology to production. Science and technology in the city have the great advantage of developing in an industrial environment. The objective economic-social needs expanded the corps of scientific-technical cadres and created conditions for continuing to assimilate scientific-technical accomplishments from many different sources in the developed countries, especially with regard to applying technical advances. After the liberation, that corps was supplemented by scientists and technicians trained in the North and in the socialist countries, and the scientific-technical forces trained by the city during the past 10 years have enabled the city's corps of scientific-technical cadres to become strong and varied. It is commendable that the scientists and technicians who continued to serve the nation after 30 April included important talents in such fields as medicine, construction, agriculture, chemistry, oceanography, geology, economics, etc.

Along what lines will that great potential be developed, in view of the city's responsibility as a scientific-technical center? How will social science and natural science be combined? Which is more important--basic research or applied research--in the present situation? Those are key questions that have been posed for the city during the past several years.

First of all, the actual situation has shown that social science imbued with the viewpoints of Marxism-Leninism play a decisive role in pointing out the lines, directions, and path of advance in a comprehensive manner, in order to resolve the principal contradictions which arise in the process of economic-social development. The foremost concern at present is management science. Although the social science sector in the city has made notable contributions to the economic-social development missions of the region and the nation, in comparison to its role, responsibility, and potential its contributions have been limited and it has not been agile in uncovering new problems and new factors at a time when the situation is developing very rapidly, especially at the basic level. Coordination between social science and natural science has only just begun and is not yet truly close. In the social science sectors we do not yet have a policy to fully utilize the knowledge of the legal specialists, and specialists who research in depth history, the national culture, economic, linguistics, and many other fields of study. The city as yet has no specialized social science management organ.

Combining basic research with applied research, and making applied research the the central concern is a correct course that is appropriate to the circumstances of our city and nation at a time when the world is beginning the scientific-technical revolution on a large scale and at a rapid rate, and is achieving extremely great accomplishments. Following that course, the city has boldly invested 2 percent of its budget in scientific-technical activity. The actual situation during the past several years have brought about real results with regard to production, life, security, and national defense. However, in general it will be a long time before we can meet the demands of the region and fulfill our responsibility as a central mission. Of the three revolutions which are carried out simultaneously, the scientific-technical revolution must be the key revolution, but the actual situation has shown that it is weaker than the other two revolutions.

There are four reasons for that situation:

First, our viewpoints and depth of vision are not correct, nearsightedness is still quite prevalent, and it is not yet clearly understood that social science is opening the way for science and technology, that "science and technology are direct production forces" and scientific-technical accomplishments are treasures which must be respected. Many management cadres are still allowing shallow viewpoints to interfere in their evaluation of individual and collective scientific research, and sometimes even have the attitude of "deciding all" in dealing with matters the judge of which must be science and the results of its application in actual practice. That is our greatest waste and is also our greatest obstacle. With regard to social science, there is of course a reality that cannot be ignored: bourgeois viewpoints are contrary to historical truth but at the same time we have not yet sifted through them to preserve the talents who are still capable of being transformed and contributing to the common cause.

Second, scientific-technical planning is not yet truly specific and does not yet correspond to the city's potential. Nor does it coordinate all scientific-technical capabilities and does not sponsor a number of projects which are financed by individuals or carried out by an element too small to

bear the expense. The scientists themselves have not taken the initiative in coordinating with one another. Thus the effectiveness and pace of scientific research are not yet high. Furthermore, we have not encouraged and developed a movement for the masses, especially the workers, peasants, and youths, to advance more strongly into science and technology. The dissemination and improvement of scientific-technical knowledge among the people to serve as a basis for the development of science and technology in a central industrial center is, generally speaking, still weak.

Fourth, although the central echelon has provided guidance with regard to the scientific-technical policy, there are still many obstacles caused by our bureaucratic-subsidizing mechanism, and we have not yet adopted incentives to strongly encourage creative labor and the concentration of gray matter. There are still instances of assigning people to the wrong occupations. We have not created favorable conditions for supplementary political, ideological, and specialized training. Scientific-technical information is a vital need which has not yet been met, so its neglect has blunted the knowledge and ability to advance of the cadres including the leading cadres. Scientific-technical cadres who do research abroad are even more restricted. With regard to living standards, the compensation policy, the salary system, project bonuses, etc., are not suitable. We cannot condone the prolongation of the scientific-technical cadres having to take on second jobs, which wastes their efforts and reduces their capability to devote gray matter to the common cause. Furthermore, we cannot condone the situation of some of them using materials, plans designs, and research results for personal enrichment.

A matter advised by Lenin, but which we have not yet done well, is to use the scientific specialists of the old regime.

Speaking about the scientific-technical work in the city, the General Secretary said, "The enterprise of developing the municipality demands that we emphasize the key role of the scientific-technical revolution."

Clearly, the scientific-technical work must undergo a more fundamental transformation, from consciousness to specific plans and from policies and the management mechanism to the organization and cadre work, if we enable the scientific-technical work to be worthy of the city's central position and responsibility.

Chapter IV

A Hot Front: Distribution-Circulation

The past 10 years of struggle on the distribution-circulation front have been a process of transforming and reorganizing all aspects of service to production and life.

We may divide that process into three principal phases:

1. 1985-1978: transforming bourgeois commerce and beginning to build the socialist circulation-distribution network.
2. 1979-1981: relaxing socialist transformation. The distribution-circulation front becomes chaotic.
3. 1982-1984: gradually establishing socialist order on that hot struggle front.

Between 1975 and 1978, although the city made progress in transforming private commerce, building up socialist commerce, and advancing to controlling goods and money to serve production and life, there were two major deficiencies:

In the transformation of bourgeois commerce, after carrying out the requisition purchasing and requisitioning of the goods and material bases of bourgeois commerce throughout the South and reducing the sphere of influence of the bourgeois powers, who formerly dominated the market, we allowed goods and property to slip away because of incorrect working methods and because the organization, assignment, and use of people were inappropriate, which resulted in a chaotic situation in supplying materials, raw materials, goods, and adversely affected production and life.

In building and reorganizing socialist commerce, we remained within the framework of bureaucratic-subsidizing administration. State commerce passively waited for goods to be sent down from the upper echelon for distribution, and no attention was paid to the market, to consumers, or to product quality. Although cooperative commerce was more flexible, it also could not avoid being influenced by the working method of state commerce.

The differentiation of classes became complicated during the phase in which the transformation was relaxed (1979-1981): some of the old bourgeoisie reappeared, a number of middle-merchants and small merchants became rich rather quickly (in 1982 the number of a households in some central precincts was nine times greater than in 1979), and internal negativism was rather widespread.

A turning point in the city on that front was signified by Resolution 6 of the Party Central Committee (fourth term), and especially Resolution 26 of the Political Bureau on distribution and circulation in June 1980, and Resolution 01 of the Political Bureau on the city's work in 1982. The party organization became increasingly aware the distribution-circulation front. The basic goals of the proletarian dictatorship on that front is controlling goods,

controlling money, controlling wholesaling and retailing, and serving production and the lives of the people. The front encompasses all elements, from production, distribution, and circulation to consumption. There are close relationships among prices, salaries, and money and among the financial, banking, and export-import sectors. It was especially necessary to combine transformation with construction, emphasize the building up of socialist commerce, and reorganize the vast network of small merchants in the city in appropriate forms. Even the commercial bourgeoisie had to be used, in appropriate cooperative economic forms, in order to utilize their capital, facilities, business knowledge, and skills. At the same time, management of the social market was strengthened, as was coordination between the city's market and the regional and national markets (resolutions 17 and 19 of the Municipal Party Committee in 1982-1983).

Along those guidelines, the city overcame its deficiencies, gradually restored order in commerce, and introduced a new way of livelihood. A number of encouraging results have been achieved.

I

The building up of socialist commerce:

During the past 10 years the city has formed a socialist commercial network from top to bottom. State commerce includes 11 specialized corporations and 4 department stores with 2,300 retail sales locations, and general commercial corporations at the precinct and district levels with a retail network extending down to the subprecincts and villages. The cooperative commercial network, which effectively assists state commerce, has also formed corporations at the municipal, precinct, district, subprecinct, and village levels, with more than 3,000 selling locations. Our experience in organizing the socialist commercial network in the city has been to boldly decentralize it to the precinct, district, subprecinct, and village levels. With the flexible capabilities of the basic level, socialist commerce has gradually encompassed all aspects of service to the people's lives, including the mode of service based on the special characteristics of each residential area and the purchasing of agricultural products and small industry-handicrafts products in the area. The form of economic alliance between precincts and districts usually begins with the signing of two-way commercial contracts, after which the relationship is developed more comprehensively. The contents of alliances between inner-city subprecincts and villages outside the city strengthened the ties between those two basic levels, as well as the ties between the city and the rural areas and the worker-peasant alliance.

The policy of forming a municipal commodity fund was a step forward in comparison to the past, when we only waited for goods to be sent down from the upper echelon. There took form funds of goods to be supplied, exchanged in accordance with two-way contracts, marketed, and exported. Although goods supplied to the city by the central echelon accounted for only a small part (20 percent) of the total, that source was relatively stable. Goods obtained from two-way contracts or from economic alliances, or purchased in the city, accounted for 70 percent of all purchases. That stimulated the development of the circulation of goods regionally.

By applying the two-price policy, the city was able to gradually control the local sources of small industry-handicrafts goods by the methods of selling raw materials and collecting finished products, cooperating in the contracted-out production of goods, signing contracts for supplying utilities, grain, and consumer goods and buying the products of the small industry-handicrafts bases, and restricting the scope of self-production and self-consumption. Because it was able to control the sources of increasingly higher quality industrial goods, the city had conditions for expanding the exchange of goods with the provinces in order to control raw materials agricultural products, and foodstuffs. There were many forms of alliances with the provinces: installment purchases, profit-sharing joint operations, and investing in and sponsoring a number of concentrated specialized cultivation areas (such as the vegetable area in Da Lat, the purple onion area in Hau Giang, etc.), with assistance from the city in the form of materials and manufactured goods, or working together to resolving difficulties regarding prices, cash, etc. With regard to the rural areas outside the city, the city positively made in-depth investments in production by means of supplying agricultural materials, electricity, and irrigation facilities, lending capital before the season began, rationally adjusting prices, coordinating with the districts and villages in managing goods, appropriately rewarding the villages, etc.

Those positive measures created relatively stable sources of agricultural products and foodstuffs which increased year after year, such as fish sauce from Kien Giang and Phan Thiet, rice paddy fish from Minh Hai and An Giang, and hogs from Hau Giang, Tien Giang, Cuu Long, Minh Hai, and a number of other provinces. In recent years, the amount of goods purchased by the city's commercial sector has increased by an average of 150 percent. In 1981 it was three times greater than in 1980 and in 1984 it was 200 percent greater than in 1983. The city tested and adopted the model of the Municipal Grain Commerce Corporation, which directly establishes ties with the provinces to control commodities at the source, adopted suitable policies regarding transformation, organized a network of retail agencies based on the women's mass association, reemployed small merchants, and adopted the mode of the flexible selling of small amounts of rice to consumers in each residential area. That lesson affected both aspects--wholesaling and the retail sales network--of the Grain Commerce Corporation and allowed the city to control 90 percent of the rice on the market. The meat, fish, vegetables, metals, electrical machinery, textiles, and other sectors also learned from that lessons, applied it according to their special characteristics, and gradually mastered the market (they now control more than 80 percent of the meat and fish).

In the past the mode of distribution and service was based on the subsidy mechanism. Improvements were made and goods purchasing booklets were used instead of ration stamps. Organ canteens were used in the case of workers and civil servants, and subprecinct marketing cooperatives were used in the case of families. Goods to be sold beyond the rationed amounts were taken by mobile units directly to the organs, enterprises, hospitals, schools, neighborhoods, etc. The commercial sector did the "marketing" for day-care centers and nursery schools, and sold directly to, and organized service for, retired cadres by taking goods directly to their homes via the youths' Tran

Quoc Toan movement. The value of goods sold increased every year: in 1983 it increased 51 percent and in 1984 it was double that of the previous year. The sector accounted for 53 percent of all retail sales, and the subprecinct and village marketing cooperatives accounted for more than 90 percent of the retail sales.

The Tet periods in 1984 and 1985 signified a great transformation: socialist commerce practically dominated the social market. During Tet of 1985 it accounted for 60 percent of the retail sales in society at large, in contrast to 30 percent the previous year.

The restaurant sector was gradually reorganized and the transformation of individual restaurant operators was combined with the expansion of services in three groups: providing two meals a day for workers and civil servants of organs and enterprises, providing simple dishes for the people, and providing special dishes, combining business with service. The group providing public catering in organs and enterprises included about 40 collective mess halls which served more than 10,000 people. Cadres and workers contributed only 50 percent of the value of the meal. The ratio of meals for common people also increased and now accounts for about 60 percent of the sector's business.

With regard to services, the city formed service corporations at the precinct and district levels, which began to participate in or dominate a number of sectors essential to the lives of the working people, such as the repair of vehicles, machinery, and electronic appliances, tailoring, barbering, the repair and construction of housing, sewer services, public bicycle tending, interior decoration, etc. There are 300 such locations, and there are good prospects for combining them with the transformation, expansion, and domination of many services in the city.

The reorganization of merchandise groups and small merchants at the markets:

The city concentrated first of all on the merchandise groups essential for the lives of the people, such as rice, pork, vegetables, fish, cooking fuel, etc., at the central wholesale markets. We reorganized the small merchants at the markets according to their goods, used 2,634 retail rice agents in the residential areas, 854 market locations, and 990 small merchants who sold pork and beef retail on a commercial basis. We implemented the "five managements" regarding individual merchants: commercial registration, accounting books, income, the posting of prices and selling at the posted prices, and taxes.

Recently the city created the form of "commercial cooperation stores" operated by the state and the middle merchants and small merchants in the industrial sector, thereby bringing an important part of the "free" market into commercial order under the supervision and control of the state. Merchants entering into such arrangements are allowed to retain an appropriate part of the profits. The state mobilized cash and goods (hundreds of millions of dong), began to control goods and money, and increased the budgetary income. That is a form of initial transformation and reorganization, the content of which was a new management mode which is tending to develop well. It is necessary to enter deeply into supplementing a number of measures and policies so that they can be more appropriate, and expand them to many sectors.

With regard to the markets, in addition to reorganizing the small merchants according to the products they sold together or separately, and gradually brought them into the orbit of socialism. The city decentralized to trial districts the formation of a few market corporations, gradually brought the market into socialist economic accounting, restricted and controlled, maintained order on the sidewalks and in the streets, and limited the spontaneous development of small merchants.

Market management: After Resolution 01 of the Political Bureau in 1982, the city perfected its system of market management at all levels, strengthened the ranks of the economic police and the tax cadres and the work of inspecting the commercial management sectors, punished speculators, smugglers, producers of counterfeit goods, blackmarketers, and people who steal public property, managed prices, etc. The activities of the market management organizations at the basic level became increasingly effective. Many violations of economic laws were uncovered and brought to justice. However, the leaders of the "black" market, and the gold and foreign exchange markets were not appropriately punished.

In the process of building up the socialist commercial sector, the city was concerned with creating specialized corporations. The sector coordinated with the precincts, districts, subprecincts, and villages, and especially built up the corps of cadres of the commercial sector, created the moral quality of exemplary state retail personnel, model stores, and the model of civilized commerce, and propagated such advanced models as a number of stores at the municipal level, many stores at the precinct and district levels, subprecinct and village marketing cooperatives, etc., and knew how to combine commerce and service, restrict the tendency to pursue income and buying and selling to take advantage of price disparities, the evil of slipping goods to private merchants, and the attitude of arrogance and other negative phenomena. The mass associations, especially the Communist Youth Union, had many initiatives and many forms of launching movements among the young state retail personnel, and were the spearhead in building a socialist commercial style in the city.

At present, prices, goods, cash, etc., are problems in the city and are complicated daily problems, although socialist commerce has made many all-out efforts. The market is not yet truly stable. There were six principal reasons for that situation:

First, we did not realize at an early date the decisive significance of distribution and circulation with regard to production and life. Ordinarily, production is the decisive factor. But in a chaotic economic situation, distribution and circulation is a factor which Lenin called the "main link" in the chain. At times we neglected that "key link."

Second, on the commercial front, the most important feature of circulation and distribution is that they are the most concentrated manifestation of the struggle between the two paths: ours and that of the enemy. We did not fully realize the complicated, fierce nature of that struggle and did not concentrate guidance or do a good job of assigning cadres to that sphere, especially with regard to materials, POL, imports, etc. With regard to

viewpoints, at times there was a tendency toward allowing "simple professional specialization" to dominate and the political-social significance of distribution and circulation with regard to society as a whole was not emphasized. When the "housekeeper" is no longer qualified to be a "housekeeper," what will society be like? In other words, a victory on the distribution-circulation front in the city would affect the status and strength of socialism on many other fronts. Of course, production must be the root, for without products there would be nothing to distribute. But at present unfair distribution and irregular distribution have paralyzed production and caused society to slip into a dangerous sluggish situation. That is a dialectical relationship of economic-political laws which cannot be resolved by means of narrow-minded concepts. On the contrary, they will result in there being no way out of the economic situation.

Third, in the struggle we were at times impatient and voluntaristic, and at times relaxed our efforts, which reflected the nature of the small bourgeoisie, and were not persistent and determined to win victory after victory, to repulse the nonsocialist powers in each sector and win victory on the battlefield. We did many things but none of them thoroughly, and did not gain experience regarding the operational characteristics of each sector, from the actual "buying and selling" situation in each aspect and in small units in that fierce struggle. Those were manifestations of infantilism in the socialist offensive.

Fourth, commerce is a combined front that is very responsive to all developments of production and social life, demands complete and timely coordination by all sectors, especially the price, salary, financial, and banking sectors, and is related to the regional market and the harmonious cooperation. But with many-layered management, very complex price setting procedures, and rigid price guidelines, it is very difficult to cooperate in the spirit of socialism. The evil of "impeding the flow of commerce" and creating self-sufficiency areas make it impossible to be responsive and flexible toward the actual market situation. The reason why private commerce sometimes gains the upper hand is not that socialist commerce does not know how to "study business"--as Lenin said--but because it is not encumbered by bureaucratic red tape, know how to grasp opportunities, and is capable of achieving a rapid turn-over of capital. Meanwhile, socialist commerce is in disarray because of the very restrictions it creates.

Fifth, there is the comparison of forces on the distribution-circulation front. On the one hand there are the forces of individualism, including ringleaders specializing in illegal livelihood and very wily and sophisticated schemes. They still have money and goods. Furthermore, the U.S. imperialists and Chinese expansionists continually carry out sabotage by many means, such as by working with the speculators to bring in black market goods, spreading rumors of money exchanges, increasing salaries, and many other schemes which upset the market. On the other hand there are the socialist commerce, market management, and other forces, most of whom are young "warriors" the salaries of whom are insufficient to support life, who profit from the proletarian dictatorship system but cannot easily cope with the "sugar-coated bullets." Firmly holding their ground in the face of all seductions and attempted bribery is a miraculous story, a source of pride for the cadres, youths, and

working people of the city, who have they precious revolutionary qualities. But if we rely only on mobilizing enthusiasm and are slow in building "material bases" to serve as the foundation for ideological education and pure moral qualities, it will be difficult for the struggle to win victory. Clearly, the socialist transformation must be tied in very closely with the assignment and training of cadres, and is intimately related to the salary system and many other economic policies.

Finally, there is the matter of the supply viewpoint still being very serious in the socialist commerce sector. It determines the nature of the entire sector. Instead of being the "housewife of society," and having the primary goal of providing increasingly better service, commerce became a sort of "disbursement" organ. As long as the over-all mechanism has not been dismantled, the corrective steps taken in each place and at each time can only be patchwork and not fundamental. Something even more dangerous is that people who do commercial work in such an environment easily become a sort of bureaucratic official instead of a socialist worker. Therefore, it is not surprising that there exists the phenomenon of many cadres, workers, and civil servants in other sectors wanting to transfer to the commercial sector or the distribution-circulation sectors. They have different motives, but most lack the essential motive of "being devoted to the well-being of the people and to socialism." That is the greatest harm done by the bureaucratic-subsidizing administrative mechanism on the distribution-circulation front, for it contributes to corrupting the moral quality of people at the root.

II

In the past the city was the export center of the entire South. At present it is also a place in which there converge many favorable conditions for export-import activities in comparison to the other areas of the nation. It has large industrial, and small industry and handicrafts capacities, has a skilled work force, produces goods with prestige on the international market. In fact, during the past 10 years the city has continued to be a port which handles large volumes of exports and imports.

Since liberation, the city has had a Foreign Trade Center and local export-import corporations. During the first year it primarily implemented the export-import policy of the Party Central Committee and laid the foundation for producing export goods and delivering them to the central echelon.

In 1980 the city began to engage in direct exporting and importing in order to obtain materials, raw materials, and spare parts which were in short supply and balance the economic-social plans. On the basis of those initial experiences, and with guidance of the central echelon, the city was able to step up local exporting and importing. In addition to the volume of goods delivered to the central echelon according to plan, local exports and imports have increased every year.

There are five principal sources of the city's exports:

1. The rapid development of the installations producing exports in the city, based on its strengths regarding labor, vocational skills, machinery and equipment, materials, and raw materials to create additional export commodity funds for the locality.
2. The application of the multi-party exchange relationships and the exchange of the city's manufactured goods (including machinery, equipment, and consumer goods) for the agricultural, forestry, and fishing products of the other localities which have direct export value (or processing semi-finished products). It thus has foreign currency with which to import raw materials and materials for the reproduction of industrial goods and agricultural goods.
3. The state purchasing of agricultural, forestry, and maritime products in the city from many different places, especially the "bridge-head" markets.
4. In-depth investment in the specialized cultivation areas and the areas raising maritime products and growing short-term industrial crops with export value in the districts around the city and its hinterland, and cooperation with a number of other localities in producing and exporting goods.
5. On-the-spot exporting by means of tourist services and the remission of foreign exchange by Vietnamese living abroad.

In fact, those five measures are closely interrelated and cannot be separated into individual measures. That requires the city to promptly grasp the needs of production and life, not only in the city but in the region as a whole, in order to achieve a rotation in the following order: industrial goods-equipment and machinery-exports (agricultural, forestry, maritime, and industrial products), self-generated foreign exchange, and self-imported raw materials and materials.

The results of those export-import activities have in fact strongly encouraged local industrial, small industry, and handicrafts production by means of production alliance with the central-level enterprises in the city in order to have additional products for the four commodity funds, and production-commercial alliances with the provinces in the region to increase the budgetary accumulation and encourage agricultural, forestry, and fishing production throughout the region. The most important matters are creating conditions for reproduction and expanded reproduction, and increasing the utilization coefficient of the capacities of machinery and equipment and the production capacity of industry, small industry, and handicrafts production in the city, which previously had been in decline because of the restrictions of the old mechanism, which amounted to only waiting for materials to be sent down from the central echelon.

With regard to the rural areas outside the city and the provinces in the region, the city's export-import activities have accelerated the formation of areas specializing in the growing of crops and livestock for export, such as the jute soybeans in An Giang and Dong Thap, the peanut areas in Cu Chi and

Tay Ninh, the cashew areas in Thu Duc and Song Be, high-quality vegetable areas in Hoc Mon, Go Vap, and Tan Binh, the fish and shrimp, raising and catching areas in Duyen Hai District (Ho Chi Minh City), Minh Hai, Ben Tre, Kien Giang, and Thuan Hai, and the medicinal plant and forestry product areas in central Vietnam and the Central Highlands. Furthermore, it is necessary to develop the various kinds of industrial crops to serve the processing of such export goods as rush, pepper, and tobacco and such livestock and poultry as ducks, hogs, etc. The city has also begun to cooperate in exploiting wood in Laos for export. The city's industrial sector has also strongly tended to shift over to the production of valuable export goods, such as consumer metal products and artistic handicraft goods.

The city's direct export markets have gradually been expanded to the fraternal socialist countries, especially Cambodia, Laos, and the Soviet Union, and a number of other countries, such as India, Japan, France, West Germany, Italy, Holland, Sweden, and the Southeast Asia region. The number of exported products increased from a few dozen during the first years, to hundreds at present.

With regard to imports, in addition to the principal products, such as materials, raw materials, spare parts, and equipment to serve production, the city paid attention to importing a suitable ratio of goods to fulfill needs for food, housing, clothing, travel, study, medical care, and serve cultural-information activities and the public welfare projects.

The city soon realized the importance of exporting and importing on the economy, beginning with the pressing difficulties of 1979 and 1980, and opened up new balancing capabilities to ensure the development of production and the stabilization of living conditions. However, during the first years the city had many weaknesses in export-import management which created the situation of competition in buying and selling, which pushed up prices. Some bad people took advantage of those shortcomings to become rich and steal state property. The enemy sneaked in to carry out sabotage, etc.

From the actual situation during recent years on the foreign trade front we have learned significant lessons.

First of all, in comparison to the requirement and actual capabilities for developing the city into a leading regional export center, our export-import activities fall far short. We have not yet fully exploited our export-import potential, with regard to both material-technical bases and people. The quantity and quality of export goods are not yet high and have not contributed to balancing the foreign trade balance, which is in a deficit position nationwide.

There are several major reasons for that situation:

First, the viewpoint regarding the division of labor and the decentralization of exporting-importing to the localities was not yet clear. Sometimes we concentrated on it and were firm and at other times we were lax. The policy was little concerned with effectiveness and there was no active, long-range planning regarding exporting-importing. Especially, there was no plan for the

city to gradually advance to bringing the strengths of its industry, small industry, and handicrafts into play in exporting.

Second, the view taken toward exporting-importing by the echelon was still restricted: the upper echelon was making a fuss over partial income figures, which resulted in the situation of haggling between the upper echelon and the lower echelon, to little concern being shown for the sector as a whole but only for internal profit and loss; the upper echelon wanted to have a monopoly and pressure the lower echelon and the lower echelon wanted to be separate and free. Some precincts and districts in the city did not supply export goods to the municipal foreign trade organ but exported them elsewhere. That was a major waste and loss for society as a whole.

Third, the bureaucratic administrative mechanism was still very cumbersome. The Municipal Foreign Trade Service previously operated in the administrative manner, and the General Corporation has still not been changed to any great degree. Its apparatus is cumbersome, it has many layers and low effectiveness, and in fact it is not yet a dynamic commercial organ. Some units, precincts, and districts have done a good job but their numbers are still small and they encounter difficulties from many directions. Even with our neighbors Laos and Cambodia the exchange of goods has taken place very slowly and the city has not given our friends strong support in denying the entry of goods from Thailand or in creating a strong foundation on which our friends can "change their direction of livelihood to the east," as they desire.

Fourth, the policies toward people, localities, and collectives producing export goods have not yet encouraged the development and expansion of production. Indeed, the incomes of people producing export goods are lower than those producing goods for domestic consumption, and far below that of an individual service worker, although they must do more work and have much more complicated skills. It was not surprising that many installations producing export goods gradually weakened, at a time when many intermediate organizations which did little work received large bonuses. That is morally shameful but has existed for many years without change.

In general, we do not yet have a strategy regarding exporting and importing, activities of vital importance to the economy. If we are slow in changing those irrational restrictions and outmoded policies, and especially the excessively cumbersome and ineffective apparatus, it will be difficult to achieve the status of an exporting city as the entire nation desires. Only on the basis of bringing into play all of the export capabilities of the city and the region can we soon bring to an end the city's shameful situation with regard to exports, in comparison to other cities in Southeast Asia with conditions similar to ours.

III

During the recent period the city's financial, banking, and price sectors have made many efforts to do a better job of serving production and life. Beginning in 1983, the city ended its situation of budget deficits. The circulation of money increased from 3.5 times a year in 1982 to more than 4

times in 1983 and 1984. However, the division of labor and decentralization with regard to finance, banking, and prices are not yet clear-cut and do not yet manifest the slogan of three levels drafting plans and three levels serving as the masters, which has affected the initiative and creativity of the local and basic levels. Although the financial autonomy of basic units was affirmed by Resolution 6, it has not yet been concretized among the combined sectors. The stipulated price framework is not yet truly rational and impedes the state purchasing of products. Taxation and profit distribution have not been able to achieve the rational regulation of income among the economic components, among the various strata of the population, and among the production, commercial, administrative, and professional sectors. Some places have not done a good job of applying the tax policy, which has affected production and commerce. With regard to taxes, there has been an under-collection of taxes from some big merchants and the imposition of high tax rates on some small merchants. Private individuals still possess large amounts of cash and circulate it outside the control of the state banking system. That is because the monetary and bank interest policies have not yet been corrected and are not yet appropriate to the production-commercial activities, and have not yet encouraged people with idle cash to deposit it in the bank. In general, the bank has not yet truly participated in production and commerce and even its supervisory function has been limited, to the extent that it has impeded the socialist economic component itself. All of those aberrations regarding finance, banking, and prices have affected the controlling of money and goods by the state and made it difficult to maintain stable prices on the social market. Especially, they have restricted the state economy but allowed the spontaneous development of the private economy.

Of course, we understand that the city cannot resolve all of those problems, which result from the general mechanism, but within the sphere authorized by the central echelon the municipal financial-banking and price sectors have lacked dynamism.

In brief, the distribution-circulation front has been very complicated and fierce in recent years and will continue to be so in the near future. That is due to the spontaneous development of the sea of small merchants in the central commercial and service center, to the insidious scheme of the enemy to make that front the primary battleground for sabotaging us, and to ourselves. The bureaucratic-subsidizing administrative mechanism has penetrated deeply into many sectors and echelons, and especially into the sectors directly related to distribution and circulation.

The city has made many all-out efforts to resolve problems, created transformation forms, and reorganized commercial order in the city and region, but its remaining missions are difficult and are on a scale larger than a locality. Even so, we can be pleased because from the actual situation we were able to clearly discern the laws of that struggle in the city as related to the whole. That is the reason for our firm confidence in future development.

Chapter V

Transforming and Reorganizing the Economy: the Goals are Developing Production and Raising Living Standards

I

During the past 10 years we have passed through three phases of transforming and reorganizing the city's economy.

1. During the first days after the liberation the revolutionary regime confiscated the property of the United States and its puppets, and of the reactionary comprador capitalists and dishonest merchants. Those economic bases accounted for 70 percent of the fixed property of regional industry. In the city there were set up 1,070 state industrial enterprises and 122 joint public-private enterprises. With regard to small industry and handicrafts, we cooperativized the important sectors and trades in the forms of cooperatives and cooperative teams. That cooperativization ratio encompassed 56 percent of all small industry and handicraft workers. The state economy accounted for 70 to 75 percent of the total industrial output and the collective economic component accounted for more than 21 percent.

In distribution and circulation, in March 1978 we carried out a campaign to transform bourgeois commerce all over the South. The campaign was on a large scale and was highly concentrated: the city mobilized tens of thousands of cadres of the sectors and circles to carry out inventories and requisition-purchase goods, materials, and commercial installations. The city nationalized 412 large commercial installations and 159 hotels. The cultural, public health, education, physical education and sports, and other sectors, were transformed and reorganized. The state had a monopoly in directing those sectors.

In the rural areas, with regard to forms by 1979 there had been set up 790 agricultural production collectives, 10 cooperatives, and 4 state farms, which encompassed 52 percent of the peasant households and 42 percent of the land.

During the first 3 years after the liberation we eliminated the comprador bourgeois class, transformed bourgeois commerce, and restricted domination of the economy by the bourgeois class in general. The socialist economic sector grew during the initial period.

But during that phase we made many mistakes: we had not yet grasped the fact that the goals of transformation were to increase production and raise living standards, emphasized the elimination or transformation of ownership relations but could not do a better job of managing production and commerce, and imposed a bureaucratic-subsidizing administrative management mechanism which resulted in the decline of productivity, quality, and the effectiveness of production and commerce. In agriculture we violated the principle of "voluntariness," and especially did not yet know how to manage agricultural production on the scale of cooperatives and did not have a policy of being concerned with the benefit of cooperative members.

Because of those deficiencies, the state and collective economic sectors (including the joint public-private sector) not only did not develop but gradually declined. Distribution and circulation were chaotic, the people's living conditions declined, and the state did not accumulate capital. In the rural areas, some cooperatives and production collectives were dissolved, the ratio of collectivized peasants fell from 52 percent to 18 percent, and the ratio of collectivized land fell from 42 percent to only 8.8 percent in 1981.

2. During the phase between 1979 and 1981 we went from one extreme to another. After discovering that mistakes had been made in the first transformation phase, the city relaxed transformation.

In industry, small industry, and handicrafts the spontaneous development of capitalism spread. The number of merchants growing rich through illegal means of livelihood, not from production but from colluding to steal socialist property, grew rather rapidly. Among workers, technical cadres, and collectivized peasants there existed the phenomenon of "the leg outside being longer than the leg inside." In socialist commerce there existed the evil of goods being slipped out to private merchants, the tendency to pursue profit, competition in buying and selling, and failure to do a good job of serving production and life. Against that background, the enemy took advantage of every opportunity to carry out economic and cultural-ideological sabotage, in an effort to cause us to continually weaken and become "totally paralyzed."

In 1982 the party Central Committee severely criticized the city's deficiencies: "The socialist transformation of commerce, small industry, handicrafts, and agriculture has not been carried out actively enough. The agricultural production collectives account for only about 18 percent of the cultivated land in areas outside the city (in 1982); the socialist economy accounts for only about 30 percent of all commerce; and the transformation forms regarding the industrial and commercial bourgeoisie and handicraft workers have not brought about the desired results. The commercial bourgeoisie, most of whom are Chinese, still have rather close relations with the peasants and the handicraft workers. (Footnote 7) (Resolution 01 of the Political Bureau, "Handbook on Party Building in the City," 1982, p 39)

3. Since 1982, in the guiding spirit of Resolution 01 of the Political Bureau and the resolutions of the municipal party committee, the city has made the transformation work in order to bring about a basic transformation by the end of 1985.

Based on the experience gained in previous years, the city affirmed that transformation must contribute to the formation of new production relations and be tied in with construction, that construction is the main concern but that management must be improved, that the transformation of industry, commerce, and agriculture cannot be separated from one another, that transformation must have appropriate forms and paths of advance, and that we had to find transitional economic forms based on grasping the characteristics and operational laws of each sector in a city that has a certain level of economic development and with the system of varied needs of the region, of which the city is the center. It was necessary to firmly grasp as the goals

transformation: developing production, raising living standards, and accumulating capital for the state, which must be the yardsticks for measuring the direction, mode, and path of advance of the transformation work. The new feature of the transformation work at present is that there must be a new management and distribution mode.

On the basis of that understanding, we continued to carry out the transformation of industry, commerce, and agriculture on a selective basis, went all-out to avoid the old missteps, were concerned with the interests of the workers and with the economic components, combined the city with the provinces, combined the sectors at the municipal level with the upper echelon, grasped the market laws, used the market to serve production, and then used production to affect the market.

The investigation carried out in 1982 to grasp the class differentiation situation, with the assistance of the social science sectors, contributed to further clarifying the new production, path of advance, and mode of transformation.

II

At present, in industry, small industry, and handicrafts sectors are concentrating on drafting economic-technical plans, developing the capacity of state enterprises, and promoting the strong development of state industry so that it can be capable of playing the leading role.

On that basis they will gradually bolster the contracting-out system and amend the contracted-out price system (although there are still many obstacles), in order to bring the small industry-handicrafts sector into the socialist orbit. In general, we expanded, and improved the quality of, the collective economic component in the small industry-handicrafts sector (it now accounts for more than 60 percent), and reorganized industry, small industry, and handicrafts according to economic-technical sectors and along the lines of specialization and cooperativization. Some essential industrial sectors are advancing toward the unified management of the principal production elements and the primary products, especially the machinery, textiles, and other sectors. Some joint public-private enterprises applied the form of sharing profits with the bourgeoisie. There was applied the form of "jointly operated enterprises with small proprietors which operated according to the mode of sharing profits to encourage the producers. They developed rather strongly because they were not restricted by the old mechanism. The private and individual economic components, along with the collective economic component, were gradually brought into the socialist orbit of being satellites of leading state enterprises, according to product group. The important matter during that transformation phase was not merely to resolve the ownership relationship but also to resolve the management relationship and the distribution relationship. In other words, we raised the transformed installation to a new level. We did not follow the path of subsidizing administrative management, which caused the state economy to be weaker than the collective economy. Transformation no longer meant only "forbidding" and "eliminating," which resulted in "coming to a stand-still" but now has a good tendency and in nature is a new management mode that is suitable for the process of economic-social development in the

socialist way: production increasing, living conditions stabilizing, and the state controlling products.

In distribution and circulation, the city gradually overcame the tendency toward only transforming organizational forms, which only made the situation more complicated. In order to restore socialist order on the distribution-circulation form and master the market, the city was concerned with both directions: controlling wholesaling and organizing, concentrating above all on changing the comparative forces with regard to the essential goods. The municipal grain commerce corporation struggled victoriously on the grain market by such management methods as those described above. From its experiences regarding rice the city began to gain experience regarding setting up "cooperative commercial stores in the catering sector, then in the meat, fish, vegetable, fruit, metals, electronic machinery, cloth and yarn, and other sectors, reorganized the small merchants at the markets into product teams, boldly decentralized management to the precincts and subprecincts, and organized all-around transformation. To date transformation based on the new mode is achieving rather good results in many precincts, districts, subprecincts, and villages.

State and cooperative commercial organizations are also shifting over strongly to the state purchasing of industrial, small industry, handicraft, and agricultural goods by positively affecting production, not by sitting and waiting, or only by filling out complicated paperwork revolving around the calculation of profit and loss in dealing in existing products, as in the past. By studying the needs of production and of society, creating conditions for the basic production units to overcome difficulties regarding materials and raw materials, the socialist commerce sector gradually took the initiative in controlling goods and truly served production and life. We are making efforts so that the state can completely control wholesaling and dominate retail sales by perfecting the organization of the controlling of goods and money, delivering goods directly to consumers, and enable the circulation of goods from the places of production to the places of consumption not be interrupted by many intermediate layers and essentially be accomplished by socialist commerce.

Of course, the controlling of goods and the controlling of money are closely interrelated and cannot be separated from the reorganization and management of the market, opposition to smuggling and the production of counterfeit goods, and resolute opposition to blackmarketing, and there must be a strong and complete transformation, first of all in the banking, financial, tax, and price, and market management organizations and in the other relevant sectors. However, now and then there have been instances of transformation in form only in some subprecincts, and of some transformed basic units having bloated organizations, higher prices, lower quality, and a poorer attitude toward service than before they were transformed. Although there have been few such instances, we must be vigilant so that the transformation work does not return to the old path of failure. In general, the transformation of industry and commerce in the city in recent years has gone in the right direction and had appropriate traditional economic forms, the transformation has been more rapid and solid, the inventory and control functions of the proletarian dictatorship

state, production has continually developed, living conditions have been stabilized and gradually improved, and budgetary income has been increased.

With regard to agriculture, after the initial period of impatience and missteps, and the relaxation that followed, the city has done a better job of carrying out the cooperativization of agriculture in accordance with the principles "voluntariness, democratic management, and mutual benefit," with the prevalent form being production collectives, which is appropriate to the management level of cadres during the initial phase. The state has increased its investment of agricultural materials, construction materials, energy, material-technical bases, and new varieties for the collective production organizations. Especially, it has applied the system of contracting final output in agriculture to the production teams and units and to individual workers, which has created conditions for elevating the production collectives and developing in-depth and upgrading a number of collectives and agricultural production cooperatives so that they can be appropriate to the management level and have a more rational mode of distribution, with concern for the interests of the peasants. It has begun to organize the model of agricultural-industrial-commercial-credit and export cooperatives to make better use of labor and land, and to develop trades and combined commerce in each basic unit. The contracting of final output and the new commercial model have brought about positive results.

In 1984, the peasant households and land brought into the collective sector equaled the totals for previous 7 years added together and amounted to 70 percent of all peasant households and cultivated land.

The results of transformation are reflected in the total value of industrial, small industry, and handicrafts production: in 1984 it was 27.1 percent greater than in 1983 and the agricultural input increased from 8 percent to 33 percent.

III

During the three phases of the process of socialist transformation, the successes, lack of success, and even mistakes of the transformation have revolved about the following viewpoints:

A. Under the old regime the economy had goals that were completely different from those of the socialist economy. With regard to the level, what we inherited fell far short of meeting the needs of socialism, so it was essential to transform that economy, on the one hand fully utilizing the existing potential in accordance with the new mode and ensuring the development of production, while on the other hand accumulating capital with which to build the material-technical bases of socialism. At the same time, it was necessary to resolutely eliminate the old production relations, end the oppression and exploitation of capitalism and establish the socialist collective mastership right of the working people, end spontaneous development and put production onto the path of planning, and create conditions for advancing to large-scale socialist production. Only by carrying out transformation could we reorganize small-scale, dispersed production, and

complete the material-technical bases, which had been crippled, were dependent on the outside, and were not developing according to plan.

B. With regard to the city, transformation must be even more concerned with the complicated circumstances of the formation of the economic-social components. In addition to the common characteristics mentioned above, there are some factors which cannot be regarded lightly: the capitalist production-commercial mode had penetrated rather deeply and the bourgeois components had gained integrated position in industry, commerce, and agriculture, and even among the scientific-technical intellectuals. Because of those characteristics, transformation must have a specific, positive, but solid path of advance. We must avoid carrying out transformation on a large scale and hastily, which creates the situation of "transformation and retransformation." The principal content of the principle of "voluntariness" on the part of small producers in socialist transformation is proving the superiority of the new things: the elimination of exploitation and injustice is very important but is insufficient. It must be demonstrated by higher productivity, greater social production, increased workers incomes, and steadily improving living conditions. Thus the two aspects--transformation of the ownership relationships and transformation of the management relationship--must be carried out side-by-side. In other words, the old must be replaced and the new must be better than what was replaced. The subsidizing bureaucratic management mechanism could not replace the old management mechanism. We must abandon the old production relationships but must distinguish ownership relationships from economic management science, and study the effective use of the science of managing large-scale production.

C. The goal of transformation is also the goal of socialism: "satisfying the the ever-increasing material and spiritual needs of the people," so transformation must ensure that production develops and that living standards are raised. The yardstick for measuring transformation must be its all-around results--economic, political, and social. On that basis, there must be correct ways of thinking and acting, be concerned with the special characteristics of transformation, and respect economic laws in order to attain the goals of transformation.

Our country is an agricultural country which is advancing directly from small-scale production to socialism. In order to successfully build socialism, maintain and build material-technical bases, especially industry, as Lenin observed, in a developing industrial country carrying out a revolution to overthrow a bourgeois regime is difficult but advancing to socialism is easier thus in an underdeveloped country, where it is easier to carry out a revolution (for they are the weakest links in the imperialist system) but where it is very difficult to advance to socialism because of the lack of material-technical bases, so in our country, and especially in the city, in carrying out transformation it is necessary to value the individual industrial, small industry, and handicrafts installation. In carrying out transformation we must make good use of the management talent and technology of the bourgeoisie and their material-technical bases.

D. With regard to the objects of transformation, many people have asked, "Did we not vacillate between two extremes: being simplistic in evaluating the position and strength of the bourgeois class and the tendency toward the spontaneous development of capitalism then, after taking missteps, over-evaluating their position and strength?"

The actual situation has demonstrated that the tendency toward the spontaneous generation of capitalism is even widespread in small-scale production, which "every day and every hour gives rise to capitalism," especially in the city, where there exists a large urban petty bourgeois component in the production, commercial, and service sectors, and individual peasants most of whom are middle peasants who are in nature rural bourgeoisie. There are also some cadres who participate in the family economy and are developing in the direction of becoming small proprietors. Although the bourgeois class is not large, it relies on that social base to dominate the market. However, the most important matter is still our mode of economic-social management. When we began the socialist revolution we were not surprised that from the very beginning everyone, from the workers, petty bourgeoisie, and small proprietors to an important part of the urban bourgeoisie, accepted the party's transformation policy. Although negative aspects still exist in all circles due to the economic-social conditions, there are positive revolutionary aspects of the city's people, as analyzed above. Although they are not spread evenly among everyone, they have a profound effect. If we have a better management mechanism, quickly change the bureaucratic-subsidizing administrative-management mechanism over to the new management mechanism, have a transitional organizational form, and have an appropriate path of advance, the situation would have been far different.

E. With regard to the transformation methods, in recent years we have learned four very valuable lessons:

First, we must truly enter deeply into grasping the operational laws of each economic-technical sector and goods circulation sector in the city with relations with the provinces, along with their complicated relations and the relations among the economic components, in addition to the socialist economic component, which will continue to exist for a certain period of time, individual economic components and even capitalist economic components. We must know how to use them and to "compel" them to serve the construction of socialism. Relaxing economic-social management, pursuing the law of value, ignoring economic laws or violating them, breaking up enterprises, and managing subjectively all result in losses for socialism.

Second, it is necessary to escape from the restrictions of dogmatism and formulaism in seeking and creating traditional economic forms. Those forms must ensure the tight control the proletarian dictatorship and the gradual change-over from private ownership to collective ownership to ownership by all the people. Furthermore, the contents of the new management mode will serve to promote production and commerce. In the course of transformation the private, individual economic components will increasingly develop the positive aspects and limit the negative aspects. And vice versa, the good, appropriate management of organizations and relations will have a reciprocal effect on ownership and production relationships in accordance with socialist

principles. In other words, at present the process of transformation must be tied in with management actions and at present transformation cannot be separated from organization and management.

Third, on the one hand the transformation policy must be flexible and appropriate to the characteristics of the city's economy and people, be appropriate to economic laws, and cause true workers to happily and enthusiastically accept transformation, as if it were truly a "socialist collective mastership festival."

It must be affirmed that most of the objects of transformation at present are individual peasants, small proprietors, and individual handicraft workers. Although those economic components differ from one another they are workers with vocational skills and management experience. Especially, they had a tradition of following the revolution and are fully qualified to, along with the working class, advance to socialism and become new workers. We do not underestimate the negative aspects of the petty bourgeois components and individual production, which have been major obstacles in the process of advancing to socialism. But we have a solid basis for believing that joining socialism is a permanent and true right of all classes and social components.

Furthermore, we must know how to "defend" the great undertaking of socialist transformation, struggle unyieldingly against the negativism of the small producers, apply truly resolute and clear-cut punitive measures against people who violate economic laws and the laws of the state regarding market management, and oppose smuggling, the production of counterfeit goods, blackmarketing, and collusion. The tendency of socialist commerce to earn profits from price disparities must also be strictly eliminated. People who earn their livings dishonestly and have large incomes operate brazenly, and the appeal of profits will weaken, and even break up, the transitional economic forms with socialist contents which we have created.

Fourth, closely tying the market with life is a hot topic. The resolution of that problem requires a balancing of prices, salaries, and money, and there must be fundamental changes with regard to the mechanism, policies, organization, and cadres in the commercial, banking, financial, tax, price, materials, public security and market management sectors, the specialized commercial corporations, and general commercial corporations, from top to bottom. Without that basic transformation, with sluggish, conservative, and backward people and with a way of livelihood that lacks a sense of responsibility, it will be difficult to achieve anything of significance. That is both a responsibility and a virtue of all of us.

In the transformation of agriculture, the greatest lesson concerned the principle of "voluntariness." Although some collectives and agricultural cooperatives did a good job at first, because of impatience and because of the concept of only eliminating land ownership and not being concerned with investing in the rural areas, and because the incomes of peasants who entered the cooperatives declined, they failed. We did not yet understand the thought of Engles and Lenin to "let the peasants think about their furrows" by actively affecting the "thought" of the key ally of the working class by means of production effectiveness and high incomes. The measure of contracting

final output and the agricultural-industrial-commercial-credit-services-export model in the production cooperatives in the present situation have fulfilled that requirement. Impatience in transforming agriculture, in other words, in the disease of "voluntarism" and the disease of "infantilism" about which Lenin warned us many times.

Furthermore, the transformation of agriculture has not yet been tied in closely with the transformation of industry and commerce. The deficiencies in the transformation of industry and commerce in the recent period affected the transformation of agriculture, and private merchants continued to have close relations with the peasants at a time when the policies of the proletarian dictatorship toward the peasants and the rural areas in general were harming the worker-peasant alliance.

Recently we have been able to overcome the deficiencies of the past. The agricultural-industrial-commercial-credit-service-export cooperative model is a new initiative of the city. The transformation of agriculture has developed rather well. We must make efforts to do a better job of implementing the principles of "voluntariness, democratic management, and mutual benefit," and continue to study and supplement the policies so that they can be more appropriate to the worker-peasant alliance.

During the past 10 years we have carried out transformation based on the viewpoint of the working class: reorganizing social production to attain the goals of socialism. Resolving the question of ownership is the core of the socialist ownership. In the city our transformation had to liberate production by means of a higher management mode, producing more wealth, and distributing goods fairly to true workers. Those are yardsticks for measuring the effectiveness of the transformation work in the city, and for measuring the degree of success in the struggle between the two paths. To carry out a socialist revolution means to increase the existing wealth, not a matter of "leveling" all values and incomes. It is certainly not a matter of "sharing poverty" among true workers, at a time when social wealth flows to places which are not socialist in nature.

All revolutionaries who occupy positions in the socialist state apparatus are related to the socialist transformation because it is the most comprehensive, basic transformation in which has never before been carried out. Of course, the commercial, transportation, materials, banking, salaried labor, industrial, agricultural, public security, market management, and other sectors have more direct relations. That means that the successes and lack of success of socialist transformation in the city are the direct responsibility of all of us. It is necessary to cause the party organization and the cadres, enlisted men, workers, and civil servants in all sectors, circles, mass organizations, and the people to fully understand the party's viewpoint toward transformation so that they can strongly transform their thought, and change their working and service methods so that the transformation can become part of normal life and be as "lovable" as the revolution.

Chapter VI

Caring for the Lives of the People

Life is a combined norm, a standard for evaluating the concern of the regime for workers which manifests the nature of the regime and was made one of the four goals of the initial phase of the period of transition which were set by the resolution of the Fifth Party Congress. The needs of the material and spiritual lives of the city's people are very diverse. But the basic requirements under the country's present circumstances are to provide jobs and a minimum standard of living for workers, concern for collective welfare and public welfare, and cultural, educational, public health, physical education and sports, artistic, mass communications, and other activities, for society. Among those requirements, providing employment is the most important.

I

Assigning and Organizing Labor:

The task of providing work in the city during the past 10 years has been tied in with the process of transforming industry, commerce, and agriculture, and has also been tied in with the process of distributing social labor throughout the region and the nation. There were three major phases:

1975 to 1978: the phase of restoring and developing the economy and expanding the sectors and trades.

1979 to 1980: the phase of difficulties in the economy and with regard to living conditions.

1981 to 1984: the phase of developing production and stabilizing all aspects of life thanks to resolving problems regarding the management mechanism.

A. Immediately after the liberation, the central task the city's party organization was to provide jobs for a large number of unemployed and semi-employed workers in the city to both mobilize that important resource of the city to produce material wealth for society and transform and developed everyone's fine nature. It also had the significance of maintaining political security and social order and safety, opposing sabotage by the enemy, and affirming the superiority of the new regime. The city's common direction was to bring workers into the industrial, small industry, and handicrafts production sectors, transfer some of the workers to state farms outside the city, and encourage people to return to their home areas and go develop new economic zones.

By May 1975 nearly all of the city's large and small industrial enterprises, with 112,000 workers engaged directly in production, had resumed operations. The activities of the small industry-handicrafts sector were also gradually restored.

The campaign in 1975 and 1976 to encourage people to return to their home areas and go develop new economic zones was a major effort on the part of the city's party organization and governmental administration. Some 400,000 people returned to live in their home areas. Another 285,000 people were sent to develop new economic zones. However, only about one-third remained in the new economic zones and about 150,000 people returned to the city. They are still experiencing difficulties with regard to living conditions although the city has assisted them in many ways.

An Assault Youth movement was launched at a very early date. Over a period of 10 years the city mobilized more than 50,000 youths for Assault Youth projects, but two-third of that number were mobilized during the first 5 years. Every year 3,000 to 5,000 youths are recruited into those forces. During the past several years the Assault Youth have made very great contributions to building and defending the city and to defending the Fatherland, have gone to six southern provinces, served at many construction sites and state farms in areas outside the city and in other localities, and have served in the most difficult places. They have been a hard-core force in serving combat and in clearing new economic zones and creating initial conditions for settlement by people sent from the city. At present, in addition to the city's Assault Youth General Unit (more than 5,000 members), there have been formed Assault Youth branch units in the precincts and districts. The Assault Youth general unit and branch units drafted production plans, implemented economic accounting, and worked with economic effectiveness. The important matter in the Assault Youth movement was that through labor the city formed a new class of youths from many different components, including the victims of social injustice, a class of youths willing to work for themselves and society, who advance from simple labor to working with good techniques and productivity. There were many very brave models in combat and serving combat. By working to build and defend the socialist Fatherland, the new class of youths transformed themselves into new workers who were worthy of praise in all spheres of activity.

More than 40,000 Assault Youths have completed their 3-year tours of duty and returned to their localities or to employment in the sectors.

The task of redeploying labor along the lines of gradually sending them to state farms outside the city and to develop new economic zones--people who had been forced into the city during the war--has been a central task which is appropriate to the short-range and long-range interests of the people. The combining of Assault Youth labor and labor sent to the new economic zones during the same period of time was guided rather well. However, because of the border war situation and because we lacked experience, lacked guidance with regard to production directions and assistance with regard to facilities, because there was no all-around coordination between the city and the provinces, and because the investment policy and regulations regarding workers were not satisfactory, we have not been able to do a good job of bringing that valuable labor forces into play, so the results do not yet correspond to the effort that has been invested.

In mobilizing Assault Youth forces we continued the tradition of Assault Youth during the wartime period. However, we did not fully understand a matter with a law-like nature: under peacetime conditions all labor organizations must achieve high economic effectiveness accompanied by the policy of ensuring the rights of workers, of both laboring youths and youths who volunteer for the Assault Youth. We were heavily oriented toward political mobilization of the wartime variety, so our ability to mobilize Assault Youth tended to decline, it was difficult to maintain the movement, and economic effectiveness was generally low. After 1982, because we had learned lessons from our old deficiencies we achieved better results, especially in Duyen Hai and Dac Nong districts.

In recent years (1983-1984) we have done a better job of sending people to work in the industrial crop areas in eastern Nam Bo and the Central Highlands. Initially we sent 8,000 workers and families, with rather good living conditions. That is a most positive direction and the initial results have been encouraging, although there are still considerable difficulties.

B. Even so, sending people to new economic zones was a measure that had to be carried out in parallel with the measures of reorganizing social production and transforming industry and commerce to create a basis for the increasingly rational distribution and redistribution of social wealth, while also expanding conditions for distributing social labor in the city. During the past 10 years, the number of workers absorbed by the sectors has increased rather rapidly. The number of employed workers accounts for 86 percent of the people of working age, including students of specialized secondary schools and college. Of the people with jobs, in 1977 51.1 percent were in the material production sector. Now 60 percent are. Forty percent of the workers are in the non-production sector. Every year the city has provided 50,000 to 87,000 jobs in different sectors. In 1984 alone the number of workers provided jobs doubled in comparison to 1983 and previous years. During the past 10 years we have provided more than 600,000 jobs (not counting people sent to new economic zones). The numbers employed by the state and small industry-handicrafts sectors increased. Under the conditions of small--scale production and the inevitable upheaval after the conclusion of the war, providing such a large number of jobs represented a major effort on the part of the city. Of course, the number of people without jobs is still very large--more than 9 percent or about 150,000. Every year 80,000 people reach working age, of whom more than 12,500 have specialized trades. That requires the application of positive, long-range measures. That is not to mention hundreds of thousands of people who come from other localities to live in the city illegally. We must provide them with jobs and a means of earning a living.

At present, the transformation in the city's social labor structure is encouraging: 37.7 percent of the workers are employed in the state sector, 16.02 percent are employed in the collective sector, and 46.25 percent in the individual sector. Workers in six districts outside the city account for 27.26 percent of the total (more than 70 percent of them are peasants in the collective livelihood organizations). The individual, private commercial and service sectors have tended to gradually decline. They now total 120,000 workers, 11 percent of the total (prior to the liberation the total was 300,000).

A matter worthy of attention is the rapid growth of labor engaged directly in production, handicraft workers with vocational skills, and educated, young workers. The number of workers has increased 78 percent, the number of handicraft workers has increased 80 percent, and the number of workers of state enterprises and increased by 73 percent in comparison to 1976.

Transforming a consumer city into a production labor city means, above all, changing the city's population make-up, including both blue-collar and white-collar workers, who account for a majority of the people. Socially, there are two important problems of the proletarian dictatorship during the period of transition: first, to create a solid class structure in society; second, to create a corps of virtuous, capable cadres. During the past 10 years the city's way of thinking and working in its efforts to provide jobs--despite missteps and even major mistakes--have in fact created a reliable class foundation for the future.

However, a truly devilish phenomenon over a period of many years has been that serious violations of the basic economic laws of socialism have been prevalent in the city. Distribution according to labor has not met the minimum requirements regarding living conditions and does not yet manifest socialist justice. No worker can live on his salary alone. At present, salaries, including rationed essential goods, are only sufficient for one person to live frugally for 2 weeks. Many complicated difficulties arise from that fact. The salary system, while equalizing, was still irrational in comparison to real prices. It thus has guided workers onto the path of negativism, so that at the minimum they have lacked enthusiasm and creativity in their work, or were forced to decrease their obligatory labor time. Skilled workers, workers who did heavy and complex jobs, people in science and technology, social scientists, and people who contributed importantly to the economy, culture, science, literature and art, physical education and sports, etc., physical education and sports, etc., are not yet compensated fairly, even in a relative sense, so their talents have not developed adequately, many have had to take second jobs to earn enough to live on, and those who must do so are very sad. Even more serious, many people in indirect sectors or doing simple work have excessively high incomes, especially in the intermediate distribution sectors based on the results of the labor of others. That is not to mention people who earn their livings dishonestly.

There is no problem more urgent than improving the salary system.

II

Raising real incomes and living standards:

Being concerned with the real incomes of workers is a correct viewpoint of the city's party organization. During the first years we made all-out efforts to relieve famine and gradually stabilize the people's living conditions. But for many reasons, the most of which were our deficiencies in economic-social management and in transforming and reorganizing production, the people's living conditions gradually deteriorated. The 1979-1980 period was especially difficult. To escape from that dangerous situation, the municipal party

organization applied the policy of the Party Central Committee, gradually resolved the problems in production, distribution, and circulation, implemented the systems of contracting out final output and paying salaries based on output and commercial incomes, and implemented piecework salaries in the production teams and units, starting with a number of trial units at the basic level and then expanding them on a wider scale. As a result, we gradually stabilized some aspects of the lives of some workers and peasants in the production-commercial sector. By the end of 1984, noon meals and mid-shift meals had been provided for tens of thousands of cadres and workers. The living standards of the collective peasants are higher than during the 1978-1979 period, and at present in some places they are higher than the living conditions of industrial workers.

The Second Municipal Party Organization Congress in 1980 and its third congress in the 1983 placed living conditions in the forefront and applied increasingly specific measures.

The flexible application of the bonus system also contributed greatly to increasing the incomes of workers and civil servants. In addition to bonuses based on productivity they receive emulation titles granted to each sector, quarterly, semimonthly, and year-end bonuses, bonuses for initiatives to improve techniques and for innovations and inventions, etc. The bonus ratio has been recalculated to make it more generous, which has created a new stimulus among creative labor in a number of sectors. The form of in-kind bonuses has also been applied rather extensively, in addition to cash bonuses.

The forms of economic assistance for the secondary family economy and collective economy of cadres, workers, and civil servants have also received attention, including the form of the bank lending production capital, a temporary but very important measure in the present situation.

However, the cost-of-living index has steadily increased, and in recent years prices have increased 40 to 70 percent a year, which has affected the lives of many strata of the people, especially those on fixed salaries. Furthermore, the ratio of incomes outside the salaries of the workers' families accounts for more than 64 percent of their total real income. That is an unwholesome phenomenon in social life.

In 1984, implementing the resolution of the Municipal Party Committee on urgent measures to improve the people's living conditions, many localities and sectors made adjustments between the production-commercial sectors and the administrative-professional sectors to eliminate excessive disparities, and organized collective production to increase allowances for workers and civil servants experiencing the greatest difficulties. The distribution-circulation, industrial, agricultural, grain, and other sectors coordinated in overcoming common difficulties regarding living conditions. The grain sector and socialist commerce made many all-out, creative efforts to control additional goods, and improved the distribution mode while transforming industry and commerce, so the supply of essential goods to meet the needs of daily life increased steadily, a better job was done in taking goods directly to the consumers, and attention was paid to families covered by the policies. An outstanding feature was that the most effective concern for the people's

living conditions was shown in the subprecincts, villages, enterprises, enterprises, villages, etc. For example, many subprecincts subsidized the day-care center and nursery school teachers and some of the teachers of Level-1 and Level-2 schools. That signified the maturization of the basic level and the spirit of self-reliance, creative thinking, and enthusiasm for man demonstrated by cadres as the basic level.

The matter of living conditions is closely related to the people's collective mastership right with regard to economics, which is a matter of social motivation because workers are only concerned for the results of their labor when society responds in a manner worthy of their efforts. Although many all-out efforts were made to improve living conditions within the sphere of the city, they were only temporary and patch-work in nature, and were not complete and basic. That must be a policy which encompasses the entire nation and comes under the authority of the Central Committee. It is a problem which must be resolved without delay. Furthermore, the people's living conditions are closely related to the quality of activities of the commercial network, especially the commercial network at the basic level and the process of socialist transformation accompanied by the bold decentralization of management to the basic, precinct, and district levels to facilitate convenient and stable distribution to consumers. The actual situation during the past 10 years has clearly shown that overcoming difficulties in production, distribution, and circulation, carrying out a division of labor and decentralization, and increasing the real incomes of the workers are closely related. Therefore, we were able to overcome the great difficulties of the 1979-80 period, but above all there was the effort of each individual, family, and basic unit. That struggle was difficult both materially--to final supplementary sources--and with regard to maintaining good moral quality in the face of the seductions of illegal, improper activities.

The categories the living conditions of which required our concern included the cadres, workers, and civil servants of the administrative-professional sectors, the public security policy, the troops, teachers, doctors, medical personnel in general, scientific researchers, authors, journalists, composers, artists, cinema performers, etc. The living conditions of such categories could be improved only with very urgent measures. While waiting for a general improvement in salaries, bonuses for innovations and inventions, royalties, etc., we could assign part of the responsibility to each sector and locality if all sectors had a sense of responsibility.

III

Concern for housing and public welfare:

Immediately after the liberation, our party pointed out that houses are to the city as land is to the rural areas. To resolve the housing problem in the city is in fact to serve the goals of socialism and the lives of the people. Public welfare facilities are the most pressing cultural requirement of the lives of the city's people. Without them there can be no city.

On the basis of that viewpoint, we concentrated on maintaining and developing the electricity, water, road, sewer, park, sidewalk illumination, and public sanitation networks, which together form the city's infrastructure.

The water supply system's output increased from 480,000 cubic meters a day to 550,000 cubic meters a day, an increase of 22 percent since the liberation. That is not to mention a system of wells with a capacity of 34,000 cubic meters a day. However, the water pipeline system (2,130 km in all) is too old. Although it has been partly replaced, a large amount of water is still lost and the people in the outskirts have not yet been supplied with high-quality water.

The system of storm sewers was constructed in a patch-work manner and often caused flooding during heavy rains. During the past 10 years we have dredged a large quantity of mud and earth (401,000 cubic meters), replaced 9,000 man-hole covers, laid 4,000 meters of sewer, etc. In general, however, we have not yet met requirements.

The city carried out a program to improve environmental sanitation, including the removal of some cemeteries in the city proper, and their transformation into parks or public welfare installations, the repair and construction of a number of public welfare facilities, the maintenance of the lighting system, the paving of additional sidewalks and streets, etc. It has cared for and improved 154 hectares of parks and planted tens of thousands of additional trees along the streets, created 30 additional hectares of parks, ensured the great burial needs of a large city, taken away hundreds of thousands of tons of garbage and human waste, and the per-capita "green space" in the city increased from 0.4 sq m to 2.4 sq m.

However, in general the environment was still very heavily polluted by automobile exhaust and factory emissions, by untreated industrial and residential waste water, insufficient facilities to promptly remove trash during peak periods, etc.

With regard to housing, with tens of millions of square meters of housing and a large number of traditional ownership relations and property changing hands many times, there had to be managed and distributed rationally, with priority to workers. That was a process with many complicated difficulties.

According to a basic study, the city now controls 400,000 houses with an area of 31 million sq m. The area in primary use amounts to 23 million sq m and the housing area totals 14 million sq m for 700,000 households (thus the average per family is 20 sq m). There are in the city 46,000 dilapidated houses and 18,000 houses built over canals. Ramshackle houses constructed with primitive facilities account for 30 percent of the total and 47 percent of the houses are in need of repair.

After 10 years of managing and using real estate, 48 percent of the houses and the housing area are controlled by the state. We distributed to the working people 73,428 houses with a total area of nearly 6 million sq m. Half of the houses were distributed to cadres, workers, civil servants, and families covered by the policy, 16 percent were distributed to direct production

workers, and 32.21 percent were distributed to poor workers. Nearly 1,390 ramshackle houses in the working class neighborhoods were replaced. Of the houses requisition purchased from bourgeoisie, 560--4.3 percent of the total area--were set aside for nursery schools, and 31.5 percent of the total area was set aside for direct production workers.

The building of new houses and repair of decrepit houses by the city for the city's workers in the 1984-1985 period was a practical project to celebrate the 10th anniversary of the city's liberation. With the slogans "The state and the people work together" and "The city, the precincts and districts, and the basic units work together," we have built 610 houses with an area of 21,150 sq m. The precincts, districts, and people contributed 54 percent of the construction capital.

During the past 10 years there have been notable advances in the improvement of housing to meet the goals of socialism, many all-out efforts were made in organizing management and repair, and a large volume of housing was set aside for workers, poor people, families covered by the policies, and public welfare projects.

However, when one reviews the process of taking over and managing housing and public welfare facilities during the recent period one notes the following problems:

1. From the very beginning we did not understand the characteristics of an industrial city that had been the U.S.-puppet headquarters. Their real estate management system in the city was rather tight and systematic. We did not promptly gain control of and use the personnel that apparatus to carry out an inventory. We had to carry out a reregistration in 1977 and to adjudicate many cases during the following years, but still have not fully resolved the situation.

2. The time during which we relaxed management and allowed the illegal occupation and transfer of housing, unfair distribution, etc., lasted too long. Those prolonged irrationalities will be very difficult to resolve in the future. At present, the abuse of authority and bribery in occupying housing is still a major problem and requires the application of strict, clear-cut measures.

3. The utilization level of the houses is still low, there is much waste, and the total surface area of officers, stores, etc., is very large but economic-social effectiveness is low, at a time when there is insufficient housing for workers. The ratio of housing that has been distributed is still too low on a per-capita basis in comparison to the area set aside for office space. Of course, that matter is also related to our organizational organs of the city, which includes many organs of the city, the central level, and many provinces and units all over the nation. The need for housing expands every year.

4. The entire system of housing, parks, the infrastructure, etc., is deteriorating at an alarming rate and repair and renovation have not kept pace because of shortages of capital and materials. Meanwhile, the apparatus concerned with that very important task vis-a-vis the lives of the people is very cumbersome and bureaucratic, has low productivity, and is still beset with much negativism.

IV

Fighting the "unarmed enemy," the heritage of the war and neocolonialism.

After the liberation, eliminating social evils was one of the municipal party organization's especially important tasks, under the conditions of there being no specialized cadres, and the initial material bases being very poor.

In view of those great social evils, the "unarmed enemy" created by U.S. imperialism, the guiding viewpoints and determination of the municipal party organization had a very decisive significance with regard to purifying spirit of revolutionary offensive, devotion to everyone's well-being and future, love, and a sense of responsibility, and implementing the slogan of the state and the people working together, coordinating the sectors and echelons, and by applying persistent and creative measures, the city was able to achieve notable accomplishments on that front.

During the past 10 years the social facilities in the city have received 70,000 people, 18 percent of whom have been prostitutes, 17.8 percent of whom have been young drug addicts, 31 percent have been beggars, old people, and people with no means of support, 19 percent have been street urchins, etc. They have returned to society 13,000 wholesome people with vocations, and relatively stable lives. The number of women who had gone astray after leaving school and resumed living wholesome lives amounted to a rather high ratio: 80 percent. Most have started families and have jobs and children. Especially, with regard to young drug addicts we applied other methods of treatment and combined acupuncture and eastern medicine with western medicine, physical therapy, deep-breathing exercises, cold showers, etc., combined medical treatment with production labor, and combined vocational training with the political-ideological work. The city's experiences in this regard were evaluated very highly at two international conferences organized by the United Nations. In the world as a whole, the four traditional methods have achieved only limited results--a maximum recovery rate of 30 percent--but in the city we have achieved a rate of about 50 percent with very "Vietnamese" methods.

The organization of production at the industrial-agricultural education camps for social victims is not only a measure for treatment, producing additional wealth for society, and improving living conditions, but also teaches a sense of responsibility and consciousness of self-reliance and of making an effort to overcome their difficulties in the process of advancing.

Never before had there been a phenomenon such as that that occurred in the city: a number of people in those categories volunteered to take treatment at schools and industrial-agricultural camps.

We will have to continue to eliminate the social evils that have persisted since the war. a considerable number even arose after the liberation, but the tendency toward a wholesome society is developing well. People who were wayward and had no future have become workers, collective peasants, Assault Youth, soldiers, and even officers of the people's army. Those are rewards for the patient efforts of the party organization and the people. They are also actualities which affirm the viewpoint of the city's party organization: "We can and must advance youths who were victims of social evils directly to socialism by means of the combined strength of our proletarian dictatorship."

One may mention at this point the impression of a foreign visitor to the city's new Youth Industrial-Agricultural Labor Education School: "Patience in positively helping them (the victims of social evils) return to society is very necessary. It must be understood that the highest values of man are love and patience." "We see here evidence of the resistance by the Vietnamese people against many calamities, and of their heroic victories, which have truly opened the way for a new socialist life."

A problem we must correct is that the school lacks too many things. In some places organization is not good, there is no policy toward cadres, and investment is still neglected.

V

Repaying good deeds.

The policy toward categories and families with merit toward the revolution manifests the loyalty of the party and people and has educational contents.

The number of people and families for whom the city bears responsibility is very large: 150,000 people, including 15,500 cadres who retired because of disability after two resistance wars, 33,300 war dead, 46,617 members of families of war dead, and 5,126 disabled veterans.

During the past 10 years the city has essentially completed the task of confirming people in the war dead and disabled veteran categories, and is continuing to resolve the remaining cases. The city has launched a strong movement for the party, the population, the echelons, and the sectors to carry out the disabled veteran and social welfare policies. Outstanding features have included movements for groups and individuals to care for the relatives of war dead the movement to keep "golden books," a fund to sponsor the families covered by the policy, opening savings accounts for the parents and children of war dead, building friendship houses, contributing capital to develop the family economy among categories covered by the policy, etc. In all, the money contributed by the people has amounted to tens of millions of dong. The city has granted 4,000 hectares of land and 11,223 houses in the city, has provided more than 6,500 house frames for thatched houses outside the city, has constructed nearly 5,000 friendship houses, and has provided construction materials worth tens of millions of dong to repair houses. It has provided jobs for 5,180 people, and created 12 orchards, 9 vegetable

gardens, 35 fish ponds, and 25 production and service facilities in the subprecincts and villages for families and individuals covered by the policy.

There have been set up at the municipal level seven industrial enterprises which are suitable for the labor of disabled veterans and crippled people, and many other production enterprises at the precinct, district, subprecinct and village levels, the total output value of which is more than 100 million dong per year. Although the retired cadres are advanced in years they have participated positively in local movements and 89.6 percent of them have taken on additional tasks in the subprecincts and villages. The liaison committees, retirement teams, retirement clubs, and resistance war tradition clubs of the city and precincts and districts have regular activities and rich contents. Many localities, sections, and sectors have in many ways provided additional assistance for families experiencing difficulties. The grain and commercial sectors, and the women's, youth, Front, and teenagers' associations have in many places participated in practical activities in the Tran Quoc Toan movement to help families covered by the policy.

The city has advanced the movement to show gratitude rather uniformly and have further stabilized the living conditions of families covered by the policy. Even more important, it has taught tradition in the party organization and among the people. The older people have been exemplary with regard to revolutionary virtue and the younger generation has directly studied the revolutionary lessons of the old people, people who have fought and sacrificed for the well-being and future of the nation.

However, there are still remaining problems: the number of policy families encountering difficulties amounts to more than 35 percent, and to 45 percent in Cu Chi. Very hard-up families total 3 to 7 percent. Here and there are also deficiencies in allowances and there is a lack of complete harmony between retired cadres, families with merit toward the revolution, and disabled veterans on the one hand and the currently active cadres on the other hand.

The accomplishments of the city with regard to concern for the lives of the working people during the past several years have not been great in comparison to the great needs of society. There are more difficulties in that sphere than in any other. However, making living conditions the foremost problem and resolving problems regarding living conditions are regarded as basic conditions for concretizing the collective mastership right of the people and as proper tasks for the party in general and the municipal party organization particularly. That proves that once it gains power a party with a tradition of closeness to the people makes concern for the people its foremost good, although it is not yet able to resolve all problems at once. Nothing is more practical, or has a more profound impact on the people, than providing stable work and incomes that are sufficient to meet the minimum needs of life, a house for large families, peaceful travel, and fair treatment.

Life is a combined norm of all economic-social activities and is at the same time a yardstick for measuring the implementation of the collective mastership right of the working people under the new regime, and for measuring the revolutionary nature of the ruling party.

Chapter VII

Building the New Man

The center of the city's transformation during the past 10 years has been the transformation of its people. It may be said that that is a fierce challenge which the revolution has overcome and the value of which is greater than that of any other accomplishment that has been made. Of course, it is still too early to conclude that the "people" problem in the city has been resolved. But the new cultural-ideological foundation the revolution has created during the past 10 years has proved to be solid and has begun to develop its effectiveness and promise.

More than anywhere else in our city, the city is a pocket that has contained all kinds of ideologies and cultures during centuries of occupation. Practically all of the nation's riff-raff gravitated there, a process that has been supplemented by the historic turning points. Especially, during 21 years under the U.S. yoke bad elements from all parts of the country concentrated in the city. They included all types and all were enemies of the revolution. Hooligans, political speculators, traitors of the Fatherland, members of the oppressing and exploiting classes, and criminals using the guise of religion, intellectuals, and members of political factions allied with one another in a so-called "anti-communist holy war." They "fought communism" in everything from philosophy and dogma to their daily way of life. The wartime environment and the neocolonial policy encouraged the rapid development of reactionary thought and decadent culture, on the basis of imposing material bases, with varied schemes and in accordance with an all-around plan. In hopes of corrupting the city's people, the enemy mobilized their entire strength--bombs, shells, death, alcohol, drug addiction, lust, modern technology, consumer demand, religion and superstition, heaven and hell, etc. There were all kinds of needs: abstract thought, only liking money and women, cruel murders and craving a peaceful life, adventurism and living with conveniences in a small house, people who live virtuous lives and unhappy people, loving life and hating life, science and fortunetelling, holding onto every dong and gambling, fidelity and infidelity, etc. They also requested additional assistance in the form of "karate" films, and reactionary, decadent films and publications from all over the world.

They sowed poison and harvested the results.

That was the "heritage" with which the revolution had to cope after 30 April 1975.

The following are specific tasks carried out by the city in the ideological-cultural sphere during the past 10 years.

1. The education sector, the goal of which is "training new workers."

From the beginning, immediately after the liberation of the city, when faced with hundreds of tasks, the city set the requirement of promptly changing over the entire reactionary education system to a socialist education system to

"attain the goal of "training new, high-quality workers." It had to endeavor to, along with the city's people, promote the enterprise of transformation and construction, and the prompt formation of a system of education organizations at all levels, from the nursery school level to the college level. The number of students increased to 800,000, 40 percent of whom were students in private and religious schools. There were also a considerable number of illiterates among the working people: 240,000.

After the liberation the city nationalized all private schools, a task that appeared to be simple but was in fact very complicated. To transfer all private schools to the state education system was to increase the rate of development of public education by 40 percent in comparison to the previous situation. In economically developed countries, increasing the education system by 10 percent very great all-around efforts on the part of the entire social production base. Only with that in mind can we fully sympathize with the difficulties of the period just after the liberation in completely changing the reactionary education system and implementing a new socialist education system. With regard to the teachers, in accordance with the viewpoint of correctly evaluating the good qualities of the existing teachers, who have a revolutionary tradition, the city employed nearly all of them. The number of teachers brought in from the base areas or from the North was not large. With regard to material bases, we reorganized the school system so that it could be more rational, and paid attention to the rural areas and the working class areas.

Beginning in 1975 the city placed the elimination of illiteracy in the forefront. As a result, only 2 years later we had essentially completed the elimination of illiteracy among the city's working people (98 percent of whom had been illiterate before the liberation).

The city has begun its 10th academic year. Despite many difficulties, education has continuously developed in the right direction and stably.

Every year the general education sectors enrolls nearly 1 million students. It has increased by 20 percent over the 1975-1976 period and has enrolled nearly all school-age children in level 1 and level 2 schools. The education reform called for by Resolution 14 of the Political Bureau was carried out strictly. The city, along with the nation as a whole, carried out the reform up to Class 4, while amending the curricula of classes 2 and 3 so that they could be appropriate to the new situation. Of every 100 children, 45 are in nursery school and 10 are in day-care centers. Although the new system of day-care centers liberates the labor of female workers and civil servants, and has enabled women to work in the small industry-handicrafts sectors, the city, the city has set aside the best houses and buildings for the children, on the basis of the viewpoint "If it is not yet possible to achieve socialism for everyone, we must begin with the children."

The school system has spread from the central areas to the working class hamlets, the remote villages, and the old base areas outside the city.

Every year more than 10,000 students graduate from general secondary schools and more than 2,000 cadres and workers graduate from supplementary education high schools. Progress has been made in many ways in training. The numbers of children winning the honor "well-behaved nephew of Uncle Ho," progressive students, socialist student collectives, Vanguard Teenager members, and Youth Union members have increased every year. Every year the city's outstanding students have done well in national examinations some have received high prizes in national mathematics, physics, and Russian language examinations.

The city and the Ministry of Higher and Vocational Education have reformed and developed a relatively complete system of colleges and higher schools, including the Polytechnic College and the industrial-agricultural technical, economics, medical, normal, physical education and sports, law, and other schools. There are 18 schools which every year accept 24,000 students from the southern provinces. In the city, during the past 10 years 23,000 college students have been admitted. More than 400 students have studied abroad (an average of 80 a year). That is a great effort on the part of the entire nation under difficult conditions.

The network of specialized and vocational schools includes more than 80 schools and 50,000 students, 35,000 of whom have graduated. That is not to mention the precinct and district vocational training centers, the private vocational training facilities, the vocational classes of the enterprises, etc., which have trained about 100,000 people in the trades.

During the past several years the policy toward recruiting and training students in specialized schools has gradually been improved so that it is more appropriate to the training situation and goals. However, in general student recruitment has not been tied in with plans and policies regarding their employment. Therefore, there exists the situation of shortages and surpluses. The training norms for a city that is a regional industrial, cultural, and scientific-technical center do not yet correspond to its position and development requirements, there is a tendency toward equalization, and the self-sufficiency nature of localities in the South tends to lower the quality of training. The decentralization of student recruitment management has not yet allowed the city to take the initiative in building up its corps of cadres. The number of students sent abroad is still too small.

The principles of revolutionary education has become increasingly evident in the transformation of schools along the lines of socialism and tied in with the economic-social goals of the city and the region. The contents of national defense education, labor education, and vocational guidance have received more and more attention but that attention is not yet adequate. Especially, the teaching of traditions has been carried out continuously and regularly, and in recent years there have been many varied forms and contents which have had positive effects, such as the "I am a Dien Bien soldier" campaign in the 1983-1984 academic year and the "complete victory Ho Chi Minh Campaign" campaign during the 1984-1985 academic year.

Although many places have not done a good job of combining the three environments, it has been a principal direction of development and all of society was mobilized to show concern for education and the young generation,

and show concern for wayward children by means of "love classes," for poor, uneducated children by means of night classes, and for infants by means of an infant education system at the basic level.

The number of general education students has increased from 25,000 to 37,000 and there are 5,000 nursery school teachers. Although the structure of educational cadres has not essentially changed, there are 16,000 new teachers who have been trained in socialist normal schools.

The quality of the teaching corps has clearly improved. The teachers in all sectors at all echelons have made efforts, and there have been many very moving examples, such as a teacher who had to bicycle 20 kilometers a day to her school and hasn't missed a day in 10 years. Many teachers with very difficult family circumstances are still able to take care of domestic matters, mothers become skilled teachers, and all the children have become good students and well-behaved nieces and nephews teachers must take part-time jobs, they still enthusiastically take advanced training to improve their professional knowledge, and have undertaken valuable scientific research projects. During the 1983-84 academic year alone 16,756 teachers were selected to receive the "Good Example" honor. At the municipal level 82 groups and individuals were awarded "advanced" designations, 37 were named "socialist labor" units, 97 were named "Emulation Warriors," and 138 were named "skilled teachers." Many cadres in the sector became party members and Youth Union members.

With regard to the quality of education, although it is not uniform among the various areas, and although there are still many matters worthy of concern, in many schools the rich-poor standards no longer apply to the students and teachers and no longer are there profit-seeking private education "businessmen." The most reliable standard is the "advanced" designation. More than 1 million people have endeavored to become "good teachers and good students," with ardent desire to fulfill the requirements of building and defending the socialist Vietnamese Fatherland, and building and defending the city. That is a new quality of revolutionary education.

However, we are not yet fully satisfied with our accomplishments in the sphere of education. The three key problems among the many problems of concern to the city's education are the following:

First, it is necessary that all sectors, echelons, mass organizations, and families be concerned with education. As Uncle Ho said, "To obtain benefit for 10 years, grow trees; to obtain benefit for 100 years, grow people." Only by undergoing such a strong transformation can the city truly have a succeeding generation which is worthy of the honor and responsibility the nation has entrusted to the city. Only thereby can it combine well the three environments--the school, the family, and society--and only then can the superiority of the new regime with regard to all strata of people be brought into play. And under the conditions of the present material-technical bases, only with the slogan "the state and the people work together" can we improve the facilities which are deteriorating and build new ones to fulfill the ever-increasing requirements of the education sector.

Second, it is necessary to improve the quality of education in accordance with the goal of training workers who are new with regard to both morality and cultural knowledge. What sort of people must the city's socialist schools prepare for the industrial, cultural, scientific-technical, and commercial center of the South, so that they can solidly support the enterprise of building and defending the Fatherland? The matter of basic educational quality must be a matter of the corps of education cadres, with regard to both their material lives and morale.

Third, all schools must do a better job of manifesting their socialist nature, the basic contents of which are the collective mastership mechanism, relationships of benevolence and equality, and the scientific nature and tight discipline of the educational environment.

Most specifically and practically, the city must invest in the construction, expansion, and repair of schools and classrooms, advance to providing sufficient school equipment, provide semi-residency and residency facilities, strengthen vocational guidance, hold additional vocational classes, and quickly improve the teachers' salary system.

2. Protecting and improving the people's health:

The old regime left behind for us rather good public health facilities. Of course, they were intended to serve the rulers and people with money, at a time when the social diseases and environmental sanitation in the working class areas were very serious problems.

Immediately after the liberation, all-out efforts had to be made: we had to take over management of and improve the material bases, treat a relatively large number of ill people, and overcome many after-effects of a fierce war on the environment and the people's health.

In general, the transformation and construction of a socialist public health system in the new situation was very difficult.

Many of the city's public health personnel and doctors who lived in the areas temporarily occupied by the enemy during the anti-French and anti-U.S. resistance wars of caring for the health of cadres, troops, and the people, with revolutionary viewpoints. After the liberation, the city's public health sector has borne the responsibility as a medical center of the entire region (30 to 60 percent of the patients in the city's specialized hospitals are from the provinces).

During the past 10 years, we have transformed the private medical facilities while restoring, developing, and improving the extensive public health network, from the basic, precinct, and district levels up to the municipal level, and from the city proper to the outskirts and the new economic zones, stations, cooperatives, state farms, and state forests, while also being concerned with rationally assigning and utilizing the existing public health cadres and personnel (local cadres and those sent from the central echelon and other places), using the existing medical specialists and doctors while carrying out political and specialized training, developing the corps of

medical personnel, and concentrating on building community public health models at the basic level. At present the city has more than 18,000 cadres, an average of five medical aides or doctors per 10,000 people, and nearly all subprecincts, villages, organs, enterprises, and schools have medical offices or clinics, or cadres in charge of public health or cadres in charge of public health matters. Many subprecincts have attained the slogan "a Red Cross member in every family." All zones have general hospitals and maternity clinics. The city has 20 hospitals and a convalescence center with a total of 11,300 beds (there were 3,200 beds at the time of the liberation), and 11 hospitals and 59 medical examination clinics in the precincts and districts.

The specialized hospitals in the city have also developed a number of important sectors, such as an oncology institute, an osteopathy institute, etc., have carried out a number of medical research projects of international stature, and have many skilled specialists, but the city still has not set up sufficient specialized departments to fulfill the responsibility of a regional center and has not yet fully exploited the specialized abilities of many skilled specialists.

Because of the great needs of the city regarding health care for children, it selected one of the best hospitals--the Don Dat Hospital--which had been reserved for the ruling clique, to become Children's Hospital No 2, and increased the number of hospital beds from 400 at the time of the liberation to more than 2,000 at present. In addition, it set up a Children's Nutrition and Growth Research Center and is giving physical examinations to children in the precincts and districts and ensuring good care for children from birth.

We gradually constructed, consolidate, and consolidated, and developed the facilities in rural areas outside the city and in the hamlets, and formed a state and collective public health network in accordance with the mode of combining the central and local echelons and of the state and the people working together.

We persistently taught the socialist viewpoint toward maintaining health--that it is better to prevent diseases than to treat them--tied in preventive medicine with physical education and sports, launched an extensive sanitation, physical education, and sports movement, and campaigned for the masses to positively attain the "five goals" and "five definitives" in the subprecincts and villages, along with developing the community public health forces. At the same time, it concentrated all efforts on treating such social diseases and occupational diseases as syphilis, leprosy, TB, mental illness, etc.

In fact, in recent year those diseases have been eliminated or reduced by combining Western and Eastern medicine, by the use of acupuncture, or by the use of native medicine. The mortality rate was reduced from 3.5 percent to 1.6 percent.

If social regimes in the past tended to be one-sided in using--even abusing--"Western medicine" to treat diseases, we now pay much attention to combining Eastern medicine with Western medicine, are concerned with propagandizing and teaching the viewpoint of preventive medicine and making progress toward breaking up the old viewpoint that emphasized treatment over prevention and

even worshiped imported medicine, and combine modern medicine, and combine modern medicine with traditional medicine in preventing, fighting, and treating diseases. That is a matter of using and developing the traditional strengths of the nation in general and particularly the city and the provinces in the region, which is rich with regard to valuable medicinal plants which are not obtainable in many nations of the world. At present, 215 of the 327 subprecincts and villages in the municipality have native medicine teams and there are 28 collective native medicine diagnosis and treatment teams.

Therefore, the city has affirmed the direction of expanding, and increasing the effectiveness of, the growing and processing of medicinal plants and the production of medicine for domestic consumption, and has promoted the production of medicine for export, which is a major prospect for the city in the future.

Scientific research in the medical sector has also been promoted. On the average, every year there are more than 50 research projects, many of which have real application value and meet the requirements of the city and the region, such as methods of preventing, fighting, diagnosing, and treating diseases by using Eastern and Western medicine, in order to overcome to an important degree the common difficulty, the shortage of medicine. Those projects have included the production of a number of medicines, especially ordinary medicines for the masses. There has also been research regarding the protection and improvement of the environment, which is adversely affecting the people's health.

A major requirement--the planned parenthood work--has received more attention than ever and involved many positive measures. As a result, it has contributed to lowering the rate of natural population increase from 2.3 percent to 1.9 percent in 1983. There will be possible to lower the rate to 1.7 to 1.5 percent in the future.

In order to meet the people's needs with regard to medical examinations and treatment needs of the people, including several hundred thousand temporary residents, frequent visitors, and people in the Nam Bo provinces, in addition to the state public health network there have been set up clinics for after-hours group physical examinations and private examination clinics (under the management of the state, in order to contribute to overcoming the difficulty regarding the living conditions of the medical cadres, doctors, and personnel, while also treating a very large number of patients, at a time when the state's capabilities are limited. In that respect alone expenses are reduced in 34,000 cases a year, corresponding to about 300 million dong.

Although it matured under difficult conditions and many deprivations, the city's medical sector has achieved results, primarily because of the great efforts of the sector's cadres and personnel, including many cadres who have manifested the good conscience of medical personnel and have obeyed the teaching of Uncle Ho: "a doctor is like a kind mother." The public health sector has created and propagated many advanced models and good examples regarding good people and good deeds, from the municipal down to the precinct, district, subprecinct, and village levels. The party echelons, the governmental administration, and the sections, sectors, and mass associations

have with the public health sector and have done a rather good job of launching mass movements to prevent and fight diseases and clean up the environment.

However, we are not satisfied with those initial accomplishments. The matter of caring for the health of the people is related to society as a whole and to permanent and continuous concern by the sectors and echelons, and especially the over-all economic-social development situation. Resolution 07 of the Municipal Party Committee in 1984 pointed out the problems during the recent period have been that the sanitation and disease and epidemic elimination prevention movements have been slow to undergo transformation and has lacked continuity, the labor protection and school sanitation tasks have not received adequate attention, the public health facilities have seriously deteriorated, the public health network has not yet met the great needs of the people, especially in the rural areas, and the combining of native medicine with modern medicine in the initial phase. Furthermore, the management of medicine production, the private medical treatment facilities, and especially the distribution of medicine, is not yet good. The city has very great potential but its existing capacity has not been fully utilized. The planned parenthood work has an extremely great importance and is related to the all-around development of the economy and the lives of the people, but during the past 10 years its effectiveness has not been very great. With the population growth rate (1.9 percent), or at a slightly lower rate (1.7 percent), by 1990 the city's population will increase to 4.7 million and by 2000 it will increase to more than 6 million. Those figures create very difficult problems which will have to be resolved if we do not take resolute steps, beginning now, to limit the rate of population increase.

It is also necessary to stress an urgent problem at present: the cadres and personnel of the public health sector are still experiencing many difficulties in their lives and there has been tardiness in amending the compensation policy. That is one of the reasons for the decline in the quality of service. That is not to mention distortions regarding the service viewpoint among some of the public health cadres and personnel, and the phenomena of arrogance, collusion, corruption, etc., especially in the distribution of medicine, which still exist in many places and have negatively affected the masses.

Under the old regime, physical education and sports had the goal of gathering together healthy youths so that they could be conscripted to serve the war of aggression. They served the ruling class and the rich and were heavily oriented toward serving the regime or, even more insidious, to serve as tools for colonialism and imperialism by creating division and jealousy among the regions in the nation. Transforming reactionary physical education and sports into physical education and sports which truly serve the mission of "building and defending the Fatherland," which truly bears a revolutionary nature, and are spearheads in the cultural-ideological revolution. That has been the policy of the city's party organization and people during the past 10 years.

Immediately after the liberation, the city took over management of and nationalized the physical education and sports material-technical bases. On the basis of the existing facilities we gradually transformed, constructed, and supplemented the system of athletic fields, gymnasiums, swimming pools,

and physical education and sports clubs on many different scales, combined with relatively appropriate decentralization of management to the precincts, districts, subprecincts, and villages, corresponding to the responsibility of each echelon. At present the city has 150 large and small soccer fields, 25 swimming pools, and 31 gymnasiums. In precincts and districts far from the center of the city new athletic fields have been in places which previously had none.

We have utilized and developed the old sports instructors and have trained new coaches and sports instructors, and held physical education and sports improvement classes for youths in all sports, especially those which are strengths of the city.

The physical education and sports movement has developed more and more extensively and strongly, from the precinct and district levels down to the subprecinct and village levels, and among all age groups, including old people, by means of the Physical Education and Health Association and health clubs for adults. Especially at the basic level, the subprecincts have developed physical education and sports at the neighborhood level, in the villages and hamlets, and in many enterprises and organs. Especially, the movement has developed extensively in all schools. The city has a morning physical education and sports movement which many people compare to the "dawn of a new city." It has a break-time physical education movement in the organs and enterprises. At times the sports competition movement of the armed forces has been rather intense. The city has developed on an increasingly larger scale athletic activities, swimming, soccer, volleyball, basketball, table tennis, bicycle racing, badminton, tennis, exercises with equipment, artistic exercises, wrestling, boxing, weight-lifting, etc., and recently has introduced such new sports as handball, water polo, chess, etc. The city has many skilled teams and many outstanding national performers.

In comparison to the first years after the revolution, when physical education and sports were still dispersed and disorganized, and were still spontaneous in nature, now they are on a rather large scale and far exceed that period with regard to both quantity and quality, and are tied in with public health in order to protect and improve the people's health.

In the "Health to construct and defend the socialist Fatherland" movement, about 2 million people participate in collective exercises every morning, exercise during breaks from work, etc., including 215,000 people who exercise according to standards, 278,000 people who do body-building according to standards, and 320,000 people who participate in running. The ranks of physical education instructors have developed rather rapidly: there are 1,649 Class-A instructors, 4,000 Class B instructors, and 34,200 basic-level instructors. There are 240 trainers. Skill-improvement classes are attended by 2,600 children. Many of the city's instructors have won national prizes. The movement has spread to adults, who have formed bicycle teams and soccer teams consisting of older people.

The physical education movement is balanced with the sports movement. Those two aspects have stimulated each other and created conditions for uniform development, and have had a positive effect on production, the protection of

security, and the cultural life of the city's people. In the physical education and sports movement, although there still exist instances of poor sportsmanship and localism, training in accordance with standards and goals and conduct in the style of socialist sports is the dominant trend. Especially, the movement has drawn in the majority of youths and teenagers, and by in that movement a disciplined way of life, a spirit of comradeship, and loyalty are factors in forging moral qualities and the new man in social life.

If the physical education and sports movement has created additional opportunities to improve physical condition, mental ability, and artistic expression, it has also created opportunities for the regions in the nation to come closer together and have better understanding of one another, and has contributed importantly to strengthening consciousness of and sympathy for national sentiment, with its position and responsibility of a regional cultural center.

In the sphere of protecting and improving the people's health, there are still many tasks which the city must carry out, such as closely combining physical education and sports with public health, launching a broad and deep movement among the city's people and especially creating the strength to attract most young people into the physical education and sports and Red Cross movements the present ratios of which are still low. It must also continue to overcome the old habits of bourgeois physical education and sports on the part of some participants and some of the public, poor sportsmanship, localism, and disguised forms of gambling. Especially, we must advance more rapidly and strongly in order to have a good health-improvement movement combined with disease prevention and a wholesome way of life, improve the nation's health, and have teams and individuals whose talents are worthy of the nation.

3. Culture and art are tied in with life and the struggle for a new, meaningful life.

Immediately after the first post-liberation party organization congress, on the basis of the resolution of the Fourth Party Congress, the city clearly stated that the direction of its cultural-ideological work was to create a new culture and the new socialist man, enable socialist thought and culture to increasingly permeate the cultural life and morale of the working people, struggle unyieldingly against bourgeois thought and the vestiges of feudal thought, criticize petty bourgeois thought, and eliminate the influence of neocolonial culture and the poisons in the cultural life of our society." (Footnote 8) (Resolution of the First Congress of the Party Organization of Ho Chi Minh City, 1977, p 10)

During 10 years of endeavor on the cultural-ideological front it has become increasingly evident that the struggle between the two paths and between the enemy and ourselves in that sphere is a very complicated, fierce, and long-range struggle. In the course of that struggle, revolutionary culture and art have not always developed in a favorable direction. At times the enemy and the bad elements have taken advantage of our laxity to plot to restore the decadent, reactionary old culture and art, and a number of distorted

tendencies developed, especially in 1979 and 1980, as pointed out by Directive 05 of the Municipal Party Committee.

After the liberation, on the basis of the very valuable capital of the city's people--their tradition of patriotism, love of independence and freedom, and unyielding struggle, led by the party during a half century of opposition to the most powerful imperialist countries--we began the construction of a new society and the new man, etc. There was development on the cultural, educational, information, press, publishing, artistic, and other fronts, which contributed importantly to improving and developing thought, sentiment, virtue, aesthetics, and a new way of life among the people, including a transformation of a key nature--new awareness and consciousness of labor, both manual labor and mental labor, which was evaluated as being a factor determining the moral life of the city's people. We also remember the large-scale, city-wide labor campaign to build irrigation projects, which attracted nearly all strata of people.

The "report and evaluate achievements" cycle of August 1975 served to bring out everyone's patriotic tradition and which, coordinated with the other cultural-artistic activities, gave rise to a spirit which overwhelmed the new plots and schemes of the enemy and the old cultural-ideological vestiges. That spirit became even more seething during the difficult 1978-1979 period because of the wars on the southwest and northern borders.

During the period of the nation's greatest crisis, negative phenomena developed internally and in society at large. Furthermore, after being heavily defeated politically and militarily the enemy changed over to a multi-faceted war of destruction, especially with regard to economics, culture, and thought. That situation profoundly and clearly affected the cultural-ideological front. A manifestation of that was the decline of revolutionary enthusiasm and a weakening of confidence in the organization of party line implementation. Within our ranks there existed the evils of arrogance, bribery, bullying of the people, and the theft of socialist property, while in society at large there existed the "chaos" of decadent, reactionary culture, with the artistic tendency of chasing after base tastes and being affected by the law of value, by the "cultural market." The evils of prostitution, thievery, revelry, superstition, etc., grew more serious, and many evils even penetrated some schools. Taking advantage of our shortcomings and laxity, the enemy concentrated even more on causing trouble in order to exacerbate the situation.

However, beginning in 1981 the city analyzed the situation and counterattacked, and the culture-art movement underwent a new transformation. After the campaign to eliminate the decadent cultural products and end unwholesome phenomena in cultural-artistic activities, we developed social culture more solidly. Now, after 10 years of effort, although we have not completely "liquidated" those "invisible enemies" on the cultural-ideological front, the struggle is of course continuing and will continue for a long time to come, we have achieved encouraging accomplishments.

First of all, many mass revolutionary activity movements have been maintained and developed, and manifest the extent of penetration of the new socialist way

of life among the people, especially on the production front, the organization of living conditions, security and national defense, and the other cultural-social activities. Solidarity and mutual aid in the subprecincts and villages have been strengthened. Many progressive, model groups and individuals have appeared and have multiplied.

During the past 10 years the cultural-artistic activities have made great contributions to meeting the increasingly greater requirements of the working people. A system of cultural centers and museums has been built in the residential areas and are visited by 3 to 5 million people a year. With the "bring art to the workers" movement, mass art has developed uniformly in the working-class areas, enterprises, work units, schools, and military units among all age groups. The mass art movement has developed in both respects: the masses both enjoy and create cultural works. Every year 30 million people attend cultural performances and there are more than 2,400 performing units the members of which are from all strata of the people, including former nuns who have emerged from the cloistered monasteries and merged themselves with the people. Cultural festivals are held every year at the municipal and precinct-district levels to commemorate major anniversaries and create new development, especially the autobiography and self-description movement, which has improved both quantitatively and qualitatively. That movement is very young and very full of life. More than 60 cinemas have been built or renovated and serve 30 to 60 million customers a year. In 1983 and 1984 the total was 20 times greater than in 1975.

The library network has developed to the neighborhoods, hamlets, enterprises, schools, Assault Youth units, armed forces, state farms, cooperatives, etc., thanks to the publication of large numbers of books in the city.

With regard to publications, the city has three specialized publishing houses (the General, Arts, and Young Bamboo Shoots publishing houses), which have existed for only 4 to 7 years. During that brief period of time there have been published more than 8 million copies of more than 550 book titles. On the average, each publishing house publishes about 40 book titles a year. Furthermore, there have been published more than 6 million nonprofessional books and documents have been published by mass associations and sectors in the city to meet the work requirements of each sector or only for internal circulation.

The books published during the past 10 years in the city, including those published by the central publishing houses and those of the provinces, and books imported from abroad, have totaled more than 35 million and the number has increased ever year: in 1980 2.97 million were published, and in 1984 the total was more than 7 million, a sixfold increase over 1975. The number of cultural products exported has also increased every year and in 1984 amounted to more than 1 million copies. The average per-capita number of books published in the city annually far exceeds the national averaged, but amounts to little in comparison to the reading needs of the masses in the city.

The three publishing houses in the city, along with the book printing sector, have provided readers in the city with many books popularizing the viewpoints, lines, and policies of the party, recalling the heroic tradition of the nation

and the city's people, and exposing the new enemy. Many books have improved scientific-technical knowledge to serve production and life, and have improved knowledge of economic management and social management. Many of the books have been exemplary works of literature of our nation and of mankind and, especially, many have been interesting and useful books for teenagers and children. Teenagers and children are categories to which the city's party organization and governmental administration have paid been completely adequate, that attention has been clearly manifested in the city's efforts vis-a-vis the publication of books and periodicals for children.

Although the city's printing capacity has not been fully utilized, the printing volume has increased every year, from 7 billion pages in 1976 to 18 billion pages in 1984. The various kinds of musical instruments, music tapes, and films produced in the city have been supplied to meet the needs of the entire region.

We have four museums, three of which are newly constructed, not counting the system of tradition museums and rooms in the precincts and districts and at the basic level, and the Ho Chi Minh Center of the armed forces. Tradition clubs have been set up the municipal level and are being extended to the precinct-district level. The historic vestiges have been put in order and historical markers have been set up at historical locations. The teaching of tradition has had increasingly appropriate forms and contents, especially with regard to youths and teenagers.

Specialized cultural sectors has been formed, such as the Writers' Association, the Drama Association, the Music Association, the Cinema Association, the Photography Association, the Architects' Association, and the Municipal Literature and Arts Federation (previously, just after the liberation, there was only a Municipal Cultural Association).

Specialized cultural groups were restored or created immediately after the liberation, which drew the participation of nearly all old and new artists with talent. Every year about 10 million people attend specialized stage performances (not including the cultural groups from other countries which visit and perform in the city). In practically all sectors produced high-quality literary and artistic works on people and events in the city. During 10 years of consolidation, construction, and maturation, with the addition of many new talents from the mass movements, including young troops, Assault Youths, engineers, teachers, industrial workers, handicraft workers, students, etc., professional art has developed large forces, most of whom are young, very creative, and dynamic, have rich potential, and the capability of serving as the professional "core" of mass culture and of providing favorable conditions for the development of culture and art in the future.

Reviewing the past 10 years on the culture-art front, we are pleased by three aspects:

First, we have brought revolutionary culture and art to the masses on an increasingly larger scale. The masses have matured with regard to consciousness, sentiment, aesthetics and, especially, their ability to create cultural-artistic works has clearly improved. That maturation has been

manifested in the process of cultural construction and development at the basic. That has been the outstanding feature of the city's cultural-artistic movement.

Second, the party organization and people of the city have correctly evaluated its cultural-artistic forces: "The cultural-artistic cadres (both old and new) are valuable capital of the nation and the city. Therefore, in addition to political, ideological, and moral education and transformation, the party must be concerned for, and have a policy of developing, their talent, and enable that valuable capital to be constantly upgraded and developed." (Resolution 52, on the cultural-artistic work, February 1978).

Third, the city's cultural-artistic forces have loyally served the party and the people and have made important contributions to the common undertaking, which was explicitly analyzed by the resolution of the Third Party Congress: "the cultural-artistic activities have contributed to serving the city's political missions and to meeting part of the steadily increasing cultural needs of the working people. Although still experiencing many difficulties in their lives and creative work, the professional artists have made all-out efforts to serve the great undertaking of transforming, building, and defending the city, and in training and guiding young artists. They have contributed positively to the cultural movements of the city and the nation." (Resolution of the Third Congress of the Municipal Party Organization, November 1983).

During the past 10 years the city, which had always been a point of convergence of Eastern and Western culture, has filtered, in order to assimilate and develop, the positive elements among that rich potential, and has used the talents of the existing artists--both the resistance war artists and the local artists and created conditions for developing many new talents under the light of socialism.

However, strictly speaking the cultural, literary, and artistic activities are still beset with many important deficiencies and problems:

1. With regard to literature, the leading cultural-artistic field, although some works have dealt with the most important, most urgent problems of actual life, they have been too few in number, and few have dealt with the city from the perspectives of history, combat, and construction, although there is a wealth of people and events about which to write. The publishers of cultural works and cultural publications have not fulfilled their missions.

2. The depiction of the city's people, as well as the Vietnamese in different localities, who have distinctive features, requires a correct viewpoint and a degree of familiarity, but in a considerable number of cases the city's people have been distorted and relegated to minor roles in literature and films, especially in films. Those distortions not only have not been overcome. They not only do not create a good impression but cause misunderstandings and, even more serious, cause a reaction among the city's people.

3. The city's dramatic arts include a rather unique form, modern opera, but we should not for that reason emphasize modern opera above all else. We need to pay attention to modern opera while balancing it with the other dramatic arts. Especially in a young industrial city, it is certain that many other forms, such as spoken drama, will gradually become dominant. Not being fully conscious of that characteristic and foreseeing the development of cultural needs in order to draft appropriate plans are deficiencies. That is not to mention the fact that our management of the theater is still lax and has allowed "extemporaneous" performances, the buying and selling of actors and actresses, and irregularities in the compensation of artists, which has led to demands by some people for excessive special privileges. Those are unwholesome manifestations of art which "chases after the market" and of the outmoded "star concept." We must nurture, respect, and protect purity with the ranks of the city's previous artists so that they can be worthy of a cultured public. If that is to be accomplished, the management organ must be strong and pure.

4. Adequate attention has not been given to such important fields of culture and art as arts, dancing, the circus, etc. Although the music movement has developed, it has lacked close guidance and the tendency to "buy and sell" music is spreading to a dangerous extent. The city still does not have a conservatory of music, which is a major deficiency of the locality.

5. The city has paid the most attention to children. However, during the past 10 years we have not developed many writers who write for children. There are few children's theaters. We must strengthen the children's educational programs on TV, with appropriate times and quality and increase the number of plays, films, books, and publications for children, which now are too few. We must also be on guard against the tendency to emphasize spheres which are economically more "effective" because the production of works for children are not very profitable or even result in losses.

6. The literary and artistic theory and criticism work in the city is, generally speaking, too weak, and there is no seething atmosphere of debate for the sake of healthy socialist literature and art, which have high ideals and are attractive.

Fourth. The press: a means of mastership by the people:

On the mass media front, the city used the press flexibly and in a manner appropriate to the characteristics of a newly liberated area during the 1975-1980 period. Just after the liberation, in addition to the party's information system, the radio and TV stations operated continuously, beginning on 30 April, and party newspapers, local newspapers, and periodicals of the mass association and city were published. The city has continued to publish a number of private and religious periodicals and newspapers, including a Chinese edition of SAIGON GIAI PHONG, under the leadership of the party.

There has emerged in the city a relatively complete system of local publications.

With regard to daily newspapers, we have two "electronic newspapers"--the radio station and the TV station (not to mention public electronic news bulletins)--the municipal party organization's SAIGON GIAI PHONG, and the Chinese version of that newspaper.

One newspaper (TUOI TRE) appears every other day, there are six weeklies, and semimonthly publications of the women's trade union, teenagers and children, arts, Buddhist and Catholic mass associations, and the scientific-technical, physical education and sports, and other sectors.

Furthermore, there are special publications published irregularly by a number of cultural associations, and internal publications and newsletters of a number of municipal departments and sectors. All precincts and districts have their own loudspeaker broadcasting systems and newsletters, most of which reflect the specific situation of the locality and adhere closely to the party's guidance. At the subprecinct and village levels there is a rather extensive network of wired broadcasting systems (347 stations), and 268 mobile information teams which combine information with mass culture at the precinct, district, and basic levels.

The city has made all-out efforts to overcome difficulties regarding printing materials and to exploit the various sources in order to have additional newsprint to fulfill the needs of the masses. The state supplies newsprint for only 11 newspapers. On the average, out of 100 issues of a newspaper 77 are printed on paper supplied by the city. That does not include newsprint obtained by the press organs themselves. Therefore, the number of newspapers printed in the city increased from 13.88 million in 1980 to 45.37 million in 1984. That does not include editions of central-level publications published in the city, such as NHAN DAN and TAP CHI CONG SAN, which increased from 13.38 million to 16.78 million during the same time.

With regard to content, although we must continue to endeavor to improve quality in many respects, during the past 10 years the city's newspapers and broadcasting stations have contributed worthily, along with the central-level newspapers, to enabling the people to understand more and more clearly understand the situation of the nation and the city, to gain correct and timely understanding of the stands and policies of the party and state, and understand the nature and plots of the nation's new enemies. Thanks to the newspapers and broadcasting stations, the people have become imbued more and more deeply with the fine thought and sentiment of the new socialist man, and understand more and more clearly, and enthusiastically participate in the struggle against, the venom of reactionary, decadent thought and culture which were left over from the old regime or have recently penetrated our country.

The city's working people understand more and more clearly that the revolution is a means form them to exercise their collective mastership, and it enables the ordinary people express, and receive answers to, their concerns and questions regarding major and minor problems in their private lives as well as those in the social life of the city and the nation. The masses have continually expressed their opinions, requested the newspapers and broadcasting stations to improve their contents, and requested that the number of publications be increased.

We are endeavoring to enable our information network to have an increasingly truthful, combative, and mass nature, and to become a tool for collective mastership by the city's working people, who demand that information for an industrial public not be formulaistic or formalistic, but reflect the truth, that information be truthful and encompass the national situation, the local situation, the events of the era, and the latest knowledge of the world scientific-technical revolution.

Furthermore, the material-technical bases of mass communications in the city are deteriorating. Especially, its television equipment is too old and adequate investment is required so that it can be maintained and improved and fulfill the requirements.

Those accomplishments on the cultural-ideological front during the past 10 years have had very great political significance, in view of the fact that the enemy have concentrated on attacking us in that sphere. With regard to the reactionary Vietnamese-language press of Vietnamese who fled abroad, there are 62 publications in all and dozens of radio stations. Decadent cultural products are brought into the city, and from the city sent to the other parts of the nation, in very complicated and sophisticated ways. The cultural products that are sent in combine extremely reactionary contents of the capitalist world with such very modern technology as music tapes, films, video cassettes, and even clothing printed with absurd words and designs. Every day and every hour luxury consumer goods are brought in via many different routes, and are even displayed and sold openly or surreptitiously at open-air markets, in alleys, etc. They amount to forces which are coordinated with the insidious plots and schemes on that battlefield and in fact have corrupted a considerable number of cadres and youths. That is not to mention whispering campaigns and other poisonous forms of psychological warfare. But the enemy's efforts have not achieved the desired results, just as in the past, when the imperialists were still in power, their reactionary cultural policy was disastrously defeated.

During the past 10 years, revolutionary culture, education, and information in the city have not only had the significance of being a shield against reactionary culture but have had the primary goal of creating the new man. The great efforts on the cultural-ideological front have truly contributed to building the new socialist man, although we understand that the cultural-ideological front alone cannot create the new man, for man is affected by many reciprocal relationships with society, in the past, at present, and in the future.

The new man truly exists, against the background of the city in the initial phase of the period of transition, and resulting from all economic-social activities and the three revolutions, which have been carried out simultaneously throughout the past 10 years, and has inherited the nature of the city's people over a period of centuries of labor, struggle, and maturation. Those new people are not abstract models based subjectively on a pre-selected standard. In our city, on the basis of the four characteristics of the new man, as stated in the resolution of the Fourth Party Congress--"people who are collective masters, work, love socialism, and have a spirit of

proletarian internationalism"--we have created new people to serve the specific political missions' over-all efforts, with the characteristics of a newly liberated city. There are millions of people who are working and fighting--as they worked and fought for centuries in the past--to transform the city in an upward direction.

We cannot be content with the negative cultural phenomena which occur at one place or another in the city, such as the wearing of absurd clothing, a lack of discipline in the streets, bad attitudes shown in public places, worship of foreign styles and consumer goods, etc., as well as the evils of sorcery, fortunetelling, miracle healing, gambling, drinking, wasteful consumption, etc., major and minor instances of corruption in many economic and administrative sectors and echelons, unruly students, youths who do not yet realize their obligations, law violations, the theft of public property, bullying the masses, etc. Those evils exist to varying degrees, and some are very serious.

We have also had to struggle very persistently and energetically against the old and newly penetrated social evils, which can easily be encountered everywhere among all components, mixed in with the new and the progressive. Clearly, their "legacy" is still very serious and the slippage caused by our deficiencies is also considerable.

However, most of the city's cadres and working people respond to all challenges and seductions with a new style.

Over a period of more than a hundred years the enemy wanted the city's people to live under their rule, and to separate them from their roots. During the past 10 years we have gradually returned the city's people to their worker roots. The city's people now not only live for themselves but have a different level of consciousness and work for both themselves and others. The city's people have stood firm during a period of 10 years of arduous challenges. Their salaries are low and their lives are still very difficult, but most of the workers still remain at their machines and at their places of work and combat to serve the needs of society. During those 10 years, by means of the border war and then the multi-faceted war of destruction, the enemy have sought to sow terror among the people, while also plotting to use "attractive" seductions to create a new wave of decadence in a city which was formerly full of all sorts of evils. But the city's people once again defeated the new enemies, both the armed enemy and the unarmed enemy. During those 10 years, by means of all sorts of wily and sophisticated schemes the enemy have sought to create an attitude of suspicion and confusion toward the socialist regime, but the city's people have raised their traditional patriotism to a new level, are proud of their country and the Vietnamese people, work and fight for socialism, and have tied their lives to socialism, although to varying degrees.

In comparison to the centuries during which the city of Saigon had to live in an environment that was befouled by the morality of making money the standard of value and of distinguishing among people according to their wealth or poverty, in a period of only 10 years, while the city's people began to determine their destiny, the situation has been reversed: the standard of

value is now morality and humanity. While we may be proud of our initial accomplishments during a process of arduous endeavor, our enemies, although for centuries unable to bring about for the people anything more than despicable destruction, will certainly be mocking and sarcastic, and even ask, "Why do problems still exist, and why do we not yet see the socialism and ideals you promised?" The progress the city has made every month and every year, although many problems still exist, especially because we are advancing under especially difficult circumstances, are a meaningful response.

The past 10 years have been a period full of all sorts of challenges. The great majority of the city's people have a sense of responsibility and have gradually become the masters of their destiny and that of the nation. They love their country and regime, and make very high demands of it. Is that not a new feat of arms on the part of the city's people in the struggle to determine who defeats whom in the sphere of thought and culture, so that they can be "worthy of the confidence and love of the nation."?

What was the lesson learned about the goal of caring for the people in our city? First of all, unity with regard to politics and morale have been increasingly consolidated on the basis of the party's policy of solidarity, its humanitarian and just treatment, and especially its concern for the interests of the people, for the short-range and long-range goals of socialism.

Developing the production forces, transforming the production relationships, and creating a good relationship between blue-collar workers and white-collar workers form the core of the new man and are the prevalent factors in creating the new man, people who are "a synthesis of all social relations," in the city. They include most of the working masses, who constitute a solid foundation for regime we now have.

On the basis of improving that common foundation, we have outstanding models, which are of course not uniform but which are stars pointing to the inevitable laws and developmental tendency.

The new man in the city at present is a product of society and is also an entity with consciousness of socialist transformation. They are people capable of attaining the distinctive features of the new socialist man. They are people who inherit the history of our people and have rich and varied social relations. They have joined in the enterprise of building and defending the city and the Fatherland with all of their ability and potential.

In sum, in the course of 10 years of resolving problems of people and for people, the party organization and people of the city has learned a number of initial lessons:

1. The most basic lesson is to create all necessary conditions for people to work and to become the masters of nature, society, and their own lives by means of labor. As General Secretary Le Duan said, "Creative labor will wash away all vestiges of the parasitic, artificial way of life which had been created by the insidious enemy," and will wash away the "dirty" wounds inflicted by the enemy: the U.S. imperialists and the Beijing expansionists.

The efforts made by the city to provide jobs for the laboring people, especially the working class, have essentially changed the social structure created under the old ruling apparatus, and have gradually reduced the number of unemployed people. In addition to increasing material wealth for society, an important matter is that we have gradually unified society with regard to both consciousness and ability for the city's people to advance to playing the key role of an enlightened entity affecting the process of social transformation and construction. The problems in that regard are clearly still great, even too great. However, the city's way of thinking and working on the basis of understanding the nature of its people and making the development of production the basis on which to improve living conditions, persistently and gradually transform the city from a consuming city to a producing city, and bring the city's people into the revolutionary activity movements, are specific conditions for becoming true masters and are an environment for building the new man and the new culture. That is also a process in which the city's party organization and people gradually transform themselves.

2. In the moral lives of the city's people, political and ideological solidarity among all social strata with regard to the lines and policies of the party and an attitude of dealing with people on the scale of values of socialist morality and the socialist way of life are yardsticks for measuring the development of socialist consciousness. During the past 10 years, the positive in all spheres, and especially the positive effects of the cultural-ideological activities, political education, and the creation of an industrial style and moral quality, have served to both raise and enrich the people's moral lives and have directly affected the process of transforming consciousness and sentiment, and serve as a motive force for the revolutionary activity movements of all strata of people. The process of gradually creating political and morale unity in the city is a process of "opposing and building," and is in fact a process of fighting and attacking, without taking the defensive and without giving ground, in the ideological sphere, revolving around the topics of labor and parasitism, rights and obligations, discipline and freedom, self-respect and self-denigration, and civilization and intelligence and barbarity and ignorance.

3. In the process of transformation and self-transformation, the party organization and people of the city know how to gradually create a new equality with regard to rights and obligations on the basis of all-around economic-social development. Of course, the viewpoint of social equality can never have the same meaning as egalitarianism, of leveling income. In that process, all inequalities are not eliminated. However, the phenomenon of hunger in society no longer exists and injustices are gradually eliminated, which is entirely in contrast to the "the clever live and the slow die" regime of the past.

4. The process of 10 years of building and defending the city has included many difficult challenges, and it has been a process of affirming the revolutionary nature of the city's working people. The accomplishments of that phase were not only that the material lives and morale of some of the people were stabilized but, even more important, the city's people manifested

new skills, inherited the legacy of an heroic people and nation were guided by the light of the revolution, had a very youthful attitude, were receptive of the new, quickly broke their bonds and overcame obstacles, were concerned with effectiveness in all activities, maintained the revolutionary offensive on all fronts, and matured with regard to both viewpoints and actual knowledge.

5. In relationships between people, although we have not accomplished all that we would like to have accomplished, and even though some things are worthy of anger and condemnation, we have gradually created a new style among the generations, especially our young generation, and have gradually implemented in the city the very great socialist thought, "one for all and all for one."

Chapter VIII

People's War Against the Multi-Faceted War of Destruction in a Strategic Area

After we gained political power, maintaining that power in the city became an urgent problem, not in theory but in actual practice, because of all the complications of a city that had just been liberated, had been the capital of the puppet regime, and was a place in which the revolution had not yet formed a management apparatus at the basic level.

We know that although the U.S. imperialists and the reactionaries were overthrown, there still existed very dangerous post-war plans to oppose the revolution. How should hundreds of thousands of puppet troops and officers, and members of the puppet administration at all levels and from all localities be brought into the new way of life? The enemy had planted spies and intelligence agents, in accordance with their post-war plans and with many sabotage plots, who had just sneaked into the young, inexperienced, and understaffed revolutionary regime, which caused the people to confuse the enemy with us. How many professional criminals were prepared to commit crimes during the social upheaval of the initial period? Considerable quantities of U.S.-puppet weapons had been discarded in the city. People who owed blood debts to the people were unwilling to turn themselves in, and were certain to make common cause with their cohorts to commit crimes during the initial period, when everything was chaotic. Evacuees, with support from the United States and Beijing, surreptitiously returned with weapons, counterfeit money, communications and sabotage facilities, etc. In that situation, the U.S. imperialists and the reactionaries were certain that the Viet Cong might take the city, but couldn't hold it for more than 2 weeks. They had a basis not only for wishing, but for believing that, and anyone who did not understand the city or the Vietnamese revolution might believe that even if the city could be held there would have to be a period of fierce upheaval.

The city's party organization, under the direct guidance of the Party Central Committee, applied a whole series of measures to stabilize the situation, placed the mission of fighting famine--the legacy of the old regime during the final months of the war--on an equal level with constructing the revolutionary administration, mopping up the puppet troop remnants and counterrevolutionaries, punishing criminals, and maintaining ordinary social activities. All of those urgent activities were combined measures for maintaining political security and social order and safety, maintaining production, and carrying out political education among the broad masses, while also building up our organization and ensuring the mastership rights of the working people during the period just after the liberation.

Implementing the military management system for a period of 245 days, the armed forces sent 2,500 cadres to the basic level to work with the people in setting up revolutionary administrations in the subprecincts and villages. In accordance with the famine relief policy, the nation set aside 130,000 tons of rice for Saigon. The armed forces reduced their grain rations to contribute more than 60 tons of grain. During the campaign to disarm bombs and mine and

liberate the land for the peasants outside the city, the troops of many combat arms served as the hard core in the campaign, in which more than 200,000 people participated. More than 300 troops and people were wounded or killed by the enemy, but as a result during the first year alone more than 2,000 hectares of cultivated land were cleared and safety was ensured for peasants restoring production.

Implementing the policy of national reconciliation, the revolutionary administration restored citizenship rights to 400,000 troops of the old regime. Many obstinate people who obstinately refused to report and many reactionary groups, in many secret or camouflaged forms, were discovered and punished by the masses and armed forces.

When concluding the period of military management, the city correctly evaluated the situation and the accomplishments of the period just after we took over management of the city following the liberation: "A revolutionary administrative system took form, became increasingly strong, and was capable of managing all aspects of social life and ensure political security and social order."

The city, a focal point of the region and the nation, and also a focal point of sabotage by the new enemies--the U.S. imperialists in league with the reactionaries within the Beijing ruling circles--from the beginning had to, along with the entire nation, cope with wars on the southwestern and northern borders, with its new position and responsibility of the nation's great rear area. Furthermore, the multi-faceted war of destruction, which was waged by the enemy in the city every day and every hour and was closely related to the "who defeats whom" struggle between the two paths, placed the city in a state of continuous combat against the insidious plots of the enemy.

The southwestern border war in fact began in May 1975 and reached a peak in 1978. In the city, the Beijing reactionaries gave rise to the "abuse of Chinese" campaign, in hopes of relying on the 500,000 Chinese in the city to cause trouble.

Because of the terrible crimes committed by the Pol Pot gang, lackeys of Beijing, which barbarously killed tens of thousands of Vietnamese and Cambodians along the border in the areas of Ba Chuc (An Giang), Tan Bien, and Ben Cau (Tay Ninh), the city sent regular battalions, local troops, militia and self-defense forces, and Assault Youth into combat. Within the city there arose a spirited national salvation movement, including Chinese, who traditionally supported the Vietnamese revolution and increasingly realized the nature of the Beijing reactionaries, promptly smashed their plots to raise rebellion, carry out psychological warfare, and barefaced inciting. Many units, cadres, and men volunteered to go to the northern border to, along with the soldiers and people of the entire nation, defeat the large-scale aggression by 600,000 Beijing troops. Tens of thousands of people of all age groups volunteered to go to the front to defend the Fatherland. Tens of thousands of cadres, enlisted men, and people fulfilled their international obligations in Phnom Penh, which has a sister city relationship with our city, and many other provinces in Cambodia, during the first months after the

genocidal, terror waged by the Beijing reactionaries and their Pol Pot lackeys against the Cambodian people.

The enemy plotted to exploit people's fears in order to paralyze the fighting will of youths and lower the fighting quality of our armed forces, but our city has built up strong local forces with new combat arms which are capable of coordinating in combat with the main-force troops on land, at sea, and in the air, and which are prepared to solidly defended the city.

Hundreds of thousands of the city's youths have fulfilled their obligation to defend the city or have become Assault Youth serving combat. In addition, the working class and laboring people have not laid down their arms. Self-defense regiments have been formed and have participated positively in military activities. have trained assiduously, and are extensive reserve forces capable of responding under all circumstances.

The enemy hoped to use treachery to take advantage of Chinese and religious people to create a force with which to sabotage the revolution. But the Chinese, the religious adherents, the people of good will within the priesthood, understood the enemy's plot.

Such specific projects as building air-defense installations, building defense lines around the city and along the border in 1978 and 1979, and the seething spirit shown by the enemy in killing the enemy and saving the nation by everyone, including large numbers of religious adherents and ethnic minority people, were firm responses to the internal and external enemies. Even more significant was the seething movement that took place during the period in which the economic situation and living conditions in the city and the nation were the most tense.

The "For the front-line of the Fatherland" and "Follow in the footprints of heroes" movements were launched among all strata of people, from children ad teenagers--with the "a tablet of paper and an envelope for the troops" movement--to the working class participating in days and nights of "After-hours labor for the front line," the artists who served the troops along the border, and the women sponsoring military units.

Furthermore, combining national defense with the economy and the economy with national defense, the city's troops participated on the economic front and worked more and more effectively. Every year the armed forces alone have harvested 400 to 700 tons of rice, thousands of tons of potatoes and vegetables, hundreds of tons of meat, etc., and contributed to clearing and restoring land, along with the peasants outside the city and in many other localities, and maintained the traditional nature of the Vietnam People's Army, an army that "fights skillfully and produces skillfully." The city's economic forces are also prepared to serve national defense when necessary.

The city's armed forces, worthy of the tradition of 30 years of resistance war for national salvation, during the past 10 years have continued to manifest a heroic spirit in the enterprise of defending and building the city, and for many consecutive years have been awarded a circulating flag by the Ministry of National Defense and praised as the leading flag of Military Region 7.

The city's combat strength lies in its spirit of "soldiers and people sharing a common will. It is proud that it has both fulfilled its obligation as the great rear area of the great front line and directly fulfilled the mission of defeating the multifaceted war of destruction in the city.

Commemorating the 10th anniversary of the city's liberation, we are pleased that our city's armed forces and people have been worthy of the confidence placed in them by the nation. We are even more pleased that nearly all families in the city have sons and daughters who are members of the armed forces, and have become part of the revolution in the course of being challenged during two wars. Many have been named heroes of the armed forces. That transformation in the structure of population is a basic guarantee for the city during the coming phase of the revolution.

We all know that the enemy is very insidious and wily, and that the fight will continue for a long time. It is even more important that we keep up our revolutionary vigilance and oppose all new enemies. The basic problems of the party's military line under the conditions of our managing a unified country are different from those during the national liberation struggle in the past: building an all-around, modern national defense by all the people, carrying out people's war to defend the Fatherland, building many combat bastions at the basic level, fulfilling our international obligations in the situation of all three Indochinese countries being a common battlefield, and combining national defense with economics and economics with national defense. There are new problems which are not yet fully understood by the soldiers and people and have not yet been fully manifested in the organization of actual activities by all sectors and people.

In addition to the army, the people's public security police are hard-core forces which maintain political security and social order and safety. If during the first years after the liberation the city's people's public security police were the principal force, in coordination with the regular troops, in fulfilling the mission of suppressing the reactionaries and counterrevolutionaries, who plotted to raise rebellion in the city, during the enemy's multifaceted war of destruction they were the primary instrument of internal protection.

The enemy's multifaceted war of destruction against our country is part of the strategic plan of the United States and the Beijing expansionists, who want to annex Vietnam and Indochina, and is the main counterattack of the enemy in Southeast Asia, in their global strategy during the period of weakness of the entire imperialist camp during the "post-Vietnam" era. Ho Chi Minh City is a focal point of that plan.

Although it was launched in a status of defeat after two border wars, it was an extremely dangerous scheme. The multifaceted war of destruction in the city is an espionage war on all fronts--economic, political, military, and cultural--with all kinds of schemes, both direct and indirect and both legal and secret, to confuse black with white and the enemy with ourselves, by using all forces from many directions, especially the reactionary forces. With that

new war strategy they wanted to cause us to "bleed all over," bring about a complete collapse, and create favorable conditions for their final blow.

On the economic front--the main front--they sought all ways to sabotage warehouses, machinery, and factories, create chaos on the market and with regard to prices, smuggle in luxury goods in order to take gold out, make use of speculators and hoarders, produce counterfeit goods, sabotaging the prestige of Vietnamese goods on foreign markets, and carrying out an economic blockade, to paralyze production and create a new dependence on imported goods. "Hitting in the stomach so that the head must drop down." That is the most insidious plot of the enemy in the city.

On the cultural front, as analyzed above, their plot amounts to an anti-communist propaganda campaign to take advantage of our difficulties and deficiencies to slander the regime, spread false information, have a psychological warfare impact, create division, encourage people to flee abroad, create a "brain drain," and use new seductions and decadence to attack the people's inborn instinct to paralyze the ability of our people, especially youths and teenagers, to resist. They hope to both corrupt the adults and cause the young generation to lose confidence and their combativeness.

Socially, they are promoting all negative phenomena in the city, from the major and minor robberies, superstition, prostitution, and heroin and marijuana addiction to controlling and bribing cadres in hopes of "neutralizing" the revolutionary administration at the basic level and paralyzing us ideologically and organizationally.

Their goals in the city are to bring about a deteriorating situation and internal rebellion combined with infiltration and attacks from outside, and attack the center of the region to affect the entire region. Their ultimate goal is to advance to controlling Vietnam and stopping the development of the three revolutionary currents. That is a new historical clash between the reactionary imperialists, led by the U.S. imperialists, in league with the Beijing reactionaries, and the forces of the three revolutionary currents, the pillar of which is the Soviet Union, and among which our country and city are focal points.

Under the guidance of the central echelon, the city has made many all-out efforts to mobilize all social forces, and has made the armed forces, the people's public security police, and the internal affairs sectors the hard core in, along with the entire nation, defeating the enemy's war of destruction in the city.

We have discovered and punished many reactionary groups, counterfeiting gangs, espionage rings, and armed infiltrator groups. If, during the years immediately after the liberation, they could deceive the masses, upset the political situation, and cause a number of explosions in the city, after 1979 practically all of the reactionary political groups or armed infiltrator groups were suppressed and nipped in the bud. The discovery and trial of a spy ring, directed by China and Thailand, in the city in December 1984 was an example.

On the economic front the war is much more complicated and fierce, especially on the distribution-circulation front. A number of cadres have been bribed by the enemy and have been corrupted. A number of warehouses and factories have suffered losses and damages. At times the market has been thrown into disorder, which has greatly affected the lives of the people. In general, the enemy's scheme is to paralyze our state policy regarding distribution and circulation, paralyze the city's economy, and transform the dissatisfaction of the city's masses into counter-revolutionary forces and foment rebellion. That scheme has essentially been defeated. The masses have gradually exposed schemes to spread false rumors of money exchanges and inventories in order to profit the speculators and hoarders, allies of the enemy, and the activities of the cross-border smugglers, dishonest merchants, and people who corner markets. Of course, at present we must continue to make very great efforts to transform our economic-social management structure, so that it is increasingly more appropriate and effective, but the masses clearly understand the true nature of the situation and are, along with the revolutionary administration, mastering the situation by transforming and reorganizing the economy, and by improving management in all spheres of social activity.

With regard to crimes, the greatest number were committed in 1979. The number decreased by 8 percent in 1980 and 22 percent in 1981. In 1983 the number declined by 11.8 percent in comparison to prior years.

Resolution 01 of the Political Bureau on the work in Ho Chi Minh City evaluated the situation as follows: "In addition to its economic accomplishments, the city has maintained political security and social order and safety under rather complicated conditions. It has contributed notably to the war to defend the fatherland along the southwestern border." The city's people's public security police won the "People's Armed Forces Hero Unit" commendation in 1981. For 3 consecutive years they won the circulating flag of the Ministry of Interior and was awarded the First Class Military Merit Medal by the Council of Ministers in 1983.

An important reason for those accomplishments was that the city paid special attention to construction and organization, and to the movement at the local level.

At the local level, in addition to the political forces of the mass organizations the city has organized Assault Youth forces, with the public security police serving as the hard core, in all localities. There is a movement to safeguard the security of the Fatherland at the neighborhood team level and there are local public security policemen who are very close to and understand the people, although they are still very young. The traffic police and the economic police cooperate with the market management forces and the criminal police more and more skillfully, and cooperate with the masses who have experience in fighting the enemy, arresting criminals, establishing order in society, on the streets, and in residential areas, and protecting the highly populated, and complicated areas of a large city. The hard-core forces created from the "safeguard national security" movement of the city's people have been a decisive factor with regard to our accomplishments in political protection, internal protection, the protection of socialist property, and the

maintenance of political security and social order and safety. There have been clear transformations in many key areas. There have been many instances of public security policemen sacrificing their lives to safeguard security and defend the rights of the masses.

The city's internal security sector includes the public security police, the local military forces, the Supreme People's Organ of Control, the courts, the people's justice organs, the State Inspection Commission, and economic arbitrators. It includes a people's justice system, reconciliation teams, workers' inspection teams, and people's inspection teams at the basic level and in residential areas, legal offices or sections in the precincts and districts or in the important sectors and services, legal subcommittees of the people's councils at all levels, local chapters of the lawyers' association, etc. Those organizations have contributed importantly in the endeavor to create a "live and work in accordance with the law lifestyle. Progress has been made in all activities, from reconciliation at the basic level to considering and resolving complaints by the people, and especially the development of the forms of receiving the people and meeting their requirements. We have adopted the style of exercising social management by law, which is appropriate for a large city, where the people ordinarily are conscious of the law and customarily regard the law and the legal system as manifestations of freedom and justice under the socialist system.

At present, in all fairness it must be said that although we have been able to maintain political security and social order and safety, because of the complicated background of a central city, because the enemy is very wily, and for many other reasons--both subjective and objective--we cannot be content with regard to the absolute solidity of the situation. We must also continue to carry out education to heighten revolutionary vigilance among the people and among the cadres and men, for in some places that awareness is weak. We must also stop violations of socialist property, which are now a major problem and are seriously eating away at the results of our people's labor. We must continue to eliminate, and reduce the ratio of violations by the public security and military forces, continue to carry out the campaign to "bring into play the fine nature and tradition of the people's armed forces," carry out Uncle Ho's six teachings among the public security police so that the city's armed forces may truly be a force "devoted to the nation and serving the people," bring to an end the evil of arrogance, which sometimes even results in violations of citizens' property and freedom, and improve the qualifications and virtue of the public security police. We must continue to supplement and perfect the internal security sector, dispose of complaints and trials, step up the drafting and completion of laws, disseminate laws, create the custom of "living and working in accordance with the Constitution and laws," do a better job of consolidating the various kinds of industrial-agricultural camps and schools for youths so that the transformation work can attain greater effectiveness in the struggle to win back people, gradually reduce social evils and crimes, and defeat the enemy's multi-faceted war of destruction, especially on the economic and cultural-ideological fronts.

In general, we must continue to study all aspects of security management in a large city. It is important to prevent political and criminal offenses, but safeguarding economic security is an increasingly urgent problem, in addition

to the requirements of ensuring public order and traffic discipline, and retaining the city's civilized demeanor, from reducing the number of traffic accidents to preventing theft and carousing, which disturbs order and security and cause harm in many other regards.

The accomplishments on the national security front during the past 10 years have been due to the viewpoint of the party, which regards the struggle on that front as a struggle to win people over to the revolution. With regard to the city's people, whom we understand with regard to both their revolutionary nature and the aspect that has become corrupt to one degree or another. The city has made its policies more appropriate, been responsive politically, been flexible with regard to measures, and been resolute and persistent in dealing with matters with "compassion and responsibility." Only by launching extensive mass movements and organizing political forces from among people living and working in the city can we have sufficient strength everywhere and at all times to take the initiative in coping with all schemes, no matter how insidious or sophisticated, of the enemy.

By means of the creative experiences of the Vietnamese revolution in the course of 30 years of war, we have made use of all combined, complete measures in the new, complicated, and fierce struggle, promoted the economic activities, been concerned with the lives of the people, and carried out our party's correct and just ethnic solidarity policy and religious policy. In political education, especially important matters at present are teaching profound awareness of and sensitivity toward the wily, poisonous plots and schemes of the enemy in the city and further increasing hatred toward the country-stealers, traitors, and saboteurs, matters which have not yet been uniformly understood among the cadres and people. It may even be said that there has been a serious loss of vigilance. Furthermore, we have not taken lightly the dictatorial measures, bringing criminals to light and to justice on the basis of bringing into play the collective mastership right of the working people, and creating four systems: a responsibility system, a system to protect public property, a public service system, and a disciplinary system at the basic level. The foremost of those measures are educating and motivating the masses, creating hard-core forces among the masses, building up the people's public security forces and, especially, strict internal protection measures, opposing negative acts, and opposing degeneracy among the cadres and personnel.

But the most important accomplishment was the transformation in the knowledge and sentiment of the different strata of people. The people have increasingly heightened their reactionary vigilance toward the enemy. Therefore, throughout the past 10 years, except for the Vinh Son case, the "turtle lake" case, and the murder of the singer Thanh Nga and some others for reactionary political reasons, the reactionaries have not been able to pull off any notable crimes.

If 10 years ago the merit in gaining political power belonged to the people and armed forces of the city and the nation, merit in maintaining the revolutionary administration during the difficult initial phase in the city also belonged to the working people, troops, and public security police of

the city. That was an initial victory in the test of strength with the enemy during the past 10 years.

That initial victory of the city's people was not expected by the people. In their multi-faceted war of destruction strategy, the U.S. imperialists and Chinese expansionists and hegemonists had calculated all aspects and factors in order to cause truly serious all-around harm. But there was one factor the enemy could not take into consideration because they could not understand it: the latent strength of the city's people. The multi-faceted war of destruction is a war of aggression which does not show the face of the aggressor. But its true nature is still aggression. It threatens the life and self-respect of a nation. It is a new kind of oppression the law of which is: if there is oppression there must be struggle against it, whether visible or invisible. Devils cannot hide their nature! The national tradition and the skill of the Vietnamese people latent within the city's people cannot easily be erased by the enemy, although they may cause temporary damage.

A major lesson of the struggle to "win people over" on that front in our city is our belief in those "people."

Chapter IX

The Revolutionary Regime, a Collective Mastership Tool of the Working People

The resolution of the Fourth Party Congress stated that "The socialist state is a proletarian dictatorship state, an organization which exercises the collective mastership right of the working class, an organization by means of which the party exercises its leadership over the process of social development," and "in order to exercise the collective mastership right of the working people, our state must be an institution of the people, by the people, and for the people." (Footnote 9) (Political Report of the Fourth Party Congress, Su That Publishing House, 1977, p 132)

The resolution of the Fifth Party Congress stressed that "Building and developing the collective mastership right of the working people in accordance with the structure of the party leading, the people serving as the masters, and the state managing is a matter of decisive significance in the victorious fulfillment of the important and urgent missions during the coming period." (Footnote 10) (Documents of the Fifth Party Congress, Vol. 1, Su That Publishing House, 1983, p 110)

During the past 10 years, the process of forming the revolutionary regime, the collective mastership tool of our city's people, has passed through two phases:

1. The phase of the military management regime.
2. The phase of creating and consolidating the people's regime.
 - a. After the liberation we set up the Municipal Military Management Committee, which had two missions: first, continuing to mop up the enemy troops remnants which were still obstinately resisting, suppressing the counterrevolutionaries who raised their heads, and protecting political security and social order and safety; second, taking over management of and exercising over-all direction of the economic-social bases in the city.

Over a period of more than 8 months (30 April 1975 to January 1976), the municipal military management regime carried out a very large volume of work, thanks to the assistance of the entire nation with regard to cadres and material bases, and especially by relying on the local mass movement.

We rapidly stabilized the situation and wiped out the counterrevolutionary groups, while also building a revolutionary regime apparatus extending down to the basic level. At that time the revolutionary regime took form at four levels: municipal, precinct and district, subprecinct and village, and housing cluster-hamlet. It protected and managed, without interruption, the installations serving public welfare and the restoration of normal activities in the city, even during the first days. The social, cultural, educational,

and public health tasks were also carried out. The Committee took over management of and brought into operation the important economic installations, confiscated the property of the reactionary compradore bourgeoisie, and reorganized production and the distribution of products.

The military management regime organized reeducation for puppet troops and government personnel, gradually restored to them the status of ordinary citizens, and organized the sending of more than 450,000 people who were displaced during the war returned to their home areas to earn a living. The positive activities in all aspects of culture and society have created a new, very revolutionary spirit among the popular masses. That has been a motive force which has helped us to complete enormous tasks in the face of accumulating difficulties.

An outstanding feature of the first phase of building the revolutionary regime in our city was that we had confidence in and relied on the masses, and knew how to motivate the masses and bring out the traditional pride of all the people, no matter what their social origin. To one degree or another, they contributed to the great victory of our entire nation. The masses were truly the most important forces in building and defending the revolutionary administration, and in uncovering, and helping the revolutionary regime to eliminate the bad elements, criticize the bad things, encourage the good things, and positively respond to the stands and policies of the revolutionary regime. During that period the spirit of the revolutionary movement was the strongest in the history of the city.

b. The Revolutionary People's Committee succeeded the Military Management political consultative conference on national unification attended by the Fatherland Front and the mass organizations, there were the nationwide National Assembly elections held on 25 April 1976, a major political activity in the city in which 98 percent of the voters participated, including practically all of the troops and civil servants of the old regime whose citizenship had been restored. The first nationwide National Assembly elections were both a vast democratic campaign and had the significance of being a show of force by millions of the revolutionary masses at a time when the enemy were plotting to carry out sabotage, weaken the potential of the entire nation, and create complicated political-social developments which would benefit the enemy in the long run.

During the past 10 years the city has participated in one large-scale political campaign after another, especially noteworthy among which was the discussions on drafting the new Constitution in 1979 and the campaign to contribute to drafting the resolution of the Fifth Party Congress in May 1981, which in fact enabled everyone to participate in making important decisions affecting the destiny of the nation and our people.

After 1976 the city reorganized the governmental system at all levels, so that it should be more rational. There were now three governmental echelons in the city: the municipal, precinct-district, and subprecinct-village levels. The local borders were readjusted twice to achieve more appropriate scales: the precincts and districts have a scale of between 100,000 and 200,000 people and the subprecincts have a scale of about 10,000 people. The subprecincts in the

city have block and neighborhood teams and the villages include hamlets and people's teams. Although they are not governmental echelons they are very necessary for enabling the regime to be close to the people.

Since 1977 the city has held two people's council elections and four precinct, district, subprecinct, and village people's council elections, in accordance with the election law of the unified National Assembly.

At present there are 12 inner-city precincts, 6 suburban districts, and 324 basic-level units, including 237 subprecincts, 3 towns (with 1,054 wards and 12,703 neighborhood teams), and 84 villages (with 473 hamlets and 7,084 people's teams).

At all echelons there are party organizations and mass associations which, together with the governmental administration, form the structure of the party leading, the people serving as the masters, and the state managing. The activities of the revolutionary regime have two contents: administrative management and the organization of economic-social bases.

a. The people's councils in the city have a total of 14,000 delegates elected by the people. The activities of the people's councils have improved in two regards:

Consciousness regarding functions, missions, authority, and responsibilities has been heightened in the course of specific training campaigns after each election for all council members (after each election about one-third of the members are new, young delegates who are competent and have prestige among the local people).

Activities are of higher quality and in fact have decided important problems of the localities with regard to major economic-cultural development directions and measures, the determination of budgets, and the oversight of the activities of the people's court or the resolution of complaints by the organs of authority. The people's council at all levels are divided into teams of delegates who maintained close contact with the voters in their units, and to listen to the aspirations of all strata of the people and report them to the people's committees. Specialized departments have been set up to help the people's councils monitor the activities of the production, administrative, internal security, and commercial sectors. There are secretariats, liaison committees, or permanent elements to receive the people. The people's councils meet in one session every 3 months to listen to reports from the people's committees and the governmental sectors to determine the direction of activities for the future. Their relationship with the people's committees have improved. The reports of the people's committees--as executive committees of the people's councils--not only report on the situation but review the results of the implementation of the people's councils. There has been increasingly greater concern for studying and acting upon the suggestions and recommendations of the council delegates.

Those democratic advances have been possible because the law organizing the people's councils and people's committees has been perfected and codified by the National Assembly. The people's council delegates are selected from among

people nominated at the basic level, by means of unified consultative conferences held by the Fatherland Front, in which the masses contribute opinions. They are selected in the process of reviewing the lists and biographies of candidates. Balloting is secret during all elections. The people's delegates also have more regular contact with the electorate and have improved with regard to knowledge, ability, and moral quality. The relationship between the people's committees and the people's councils has been improved on the basis of stipulated regulations instead of relations of a formalistic or arbitrary nature, as in the past.

Democracy is an objective need. The city's people have thirsted for freedom and equality for centuries. Once the people gained political power we had conditions for political power we had conditions for transforming that long-held dream of the city's people into reality. The standards of socialist democracy in the city must be real results of the liberation of production, the freedom and equality of man, living conditions that are increasingly stabilized and improved, and ensured futures for everyone. In the city, where the population density is great, there has long been contact with bourgeois democracy, there are revolutionary traditions, and there exists the custom of living in accordance with the law. The people can distinguish between the formalistic democracy of the ruling clique (the true nature of which is oppression and exploitation) and true democracy--socialist democracy--which manifests the nature of governmental apparatus that is of the people, by the people, and for the people. With such social conditions and such a public, we have many advantages for achieving democracy and testing the degree to which we have achieved socialist democracy. However, in comparison to the standards of socialist democracy the achievement and effectiveness of socialist democracy in the city are not yet truly good and there are still many deficiencies.

Achieving democracy is an obligation, not an arbitrary "gift" from some people with authority. Objectively, the degree of the achievement of socialist democracy is also dependent on many factors, including the over-all situation of the nation and the cultural level of the people. In other words, it depends on consciousness and ability to exercise mastership. But in the city we absolutely must not, for objective reasons, regard lightly the requirement of instituting, consolidating, and perfecting socialist democracy. The contents of perfecting socialist democracy are measured by the quality and effectiveness of the activities of the democratic organs: the people's councils and people's committees at all levels and the functional departments directly under them.

In reviewing the course of the development of our city's revolutionary regime, we are happy because of the notable progress that has been made, but we must examine our deficiencies more strictly, as observed by the resolution of the Fifth Party Congress with regard to the fact that the governmental apparatus has not yet been perfected and the deficiencies of the city: "A number of democratic organs still operate in a formalistic manner and have not fulfilled the functions, missions, and responsibilities stipulated by the Constitution. That is a weakness in the activities of the state apparatus and is also a deficiency in the party's leadership work. (Footnote 11) (Documents of the

Fifth Party Congress, Su That Publishing House, 1983, Vol 1, p 3) To overcome those deficiencies, we must make efforts in three directions:

First, very strictly observing the stipulations of the law organizing people's councils and people's committees at all levels that was approved by the National Assembly and promulgated by the government to guarantee the people's collective mastership right.

Second, continually raising the cultural level, consciousness, and mastership capability of the city's people, especially a strong sense of responsibility toward governmental, and mass organizations. In other words, we must continually improve the relationship between the proletarian dictatorship system and the masses. The revolutionary regime cannot be apart from the mass proselytizing work; on the contrary, under the conditions of the party being in power the state organs are the elements which carry out the mass proselytizing work most effectively.

Third, on the basis of the actual situation in the city we must continually create the contents, measures, organizational forms and activities of the regime in order to stabilize and improve the production conditions and the material and spiritual lives of the masses, which are the highest goals of the revolutionary regime.

b. The people's committees at all levels are elected by the people's councils at all levels by means of democratic elections. The members of those committees are assigned responsibility for specific tasks and organize the implementation of the resolutions of the people's councils and the directives and decisions of the people's committee at the upper echelon and of the Council of Ministers. Due to the special characteristics of the city, at the subprecinct and village level there have been set up specialized committee departments, and there are both specialized cadres and mass association cadres, who have both a state nature and a mass nature and create conditions for the masses to participate in state management. After much experimentation, at the precinct-district level there have gradually taken form bureaus and departments which fulfill state management functions and staff functions for the economic-social management committees. The activities of the people's committees at the municipal and precinct-district levels are concentrated in their permanent elements, consisting of the chairmen, the vice chairmen in charge of blocs, and secretaries. With regard to the major, central tasks, the party committee echelons discuss them collectively among the party committees and the key cadres of the sectors and mass organizations, by means of which to assign individual responsibility with regard to organizing implementation. The standing committee of the upper-echelon people's committee periodically works with the people's committee at the lower echelon to review the implementation of plans and the carrying out of the major tasks, and to contribute opinions on the activity program or draft plans.

At the municipal level there have been organized 64 bureaus, departments, and sectors in charge of production, commerce, and administrative and commercial matters. The department committees at all levels are divided into five blocs: the production bloc (industrial-small industry- handicrafts, or agriculture

if at the district echelon), the rural bloc (at the municipal level), the distribution-circulation and market management bloc, the administrative bloc, and the security-internal security bloc. Each bloc has a vice committee chairman (or a committee member in the case of subprecincts and villages) in charge (except for the committee bureau bloc, 24 mass organizations, and a number of guidance organs of the major centers during the time of direct dependence on the Municipal People's Committee).

In fulfilling their state management function, the people's committees have increasingly put themselves on a legal footing. the bureaus, departments, and sectors have exercised their vertical management in combination with the guidance of the party committee and people's committee at the same level.

c. However, on the path toward attaining increasing perfection our city has also made many missteps, the most outstanding of which is that the level of economic-social management by legal means is not yet truly adequate in the governmental echelons, especially with regard to economic laws, for it is the basis of all laws, ensures just distribution, and is one of the highest principles of socialism.

The resolution of the Sixth Plenum of the Central Executive Committee, fifth term, stressed that "Continuing to concretize and codify the policy of the party leading, the working people serving as the masters, and the party state managing." We must strengthen the legal system of the socialist state and state discipline. We must apply all measures to oppose bureaucratism, abuse of authority, and corruption, and carry out strict, fair, and timely rewards and punishments, in the spirit of the upper echelon setting the example for the lower echelon and those in the party setting the example for those outside the party.

In reviewing the actual situation in the city, we see that although the entire nation must continue to perfect the management mechanism, especially the economic management mechanism, and promulgate the necessary laws, we have not even done a good job of enforcing the existing criminal, administrative, and economic laws. There have also been a considerable number of cover-ups and instances of "internal dispositions" regarding violations of the mastership right of the working people, serious violations of socialist property, and lack of responsibility in guiding production and commerce which have caused great harm for the nation, which have strict and just. Many people in positions of authority who have committed serious offenses have not yet been dealt with appropriately.

If socialist law is in nature conventions of communal life intended to carry out the transformation and development of society in a self-enlightened manner, and tie together the rights and responsibilities of all citizens and the state toward the community, law violations in fact sabotage the essence of the system. If arbitrariness becomes widespread the result will be a system that is both anarchic and bureaucratic, one which is harmful and contrary to the viewpoints of the working class and Marxism-Leninism. We affirm beyond doubt that bureaucratism is not part of the nature of the socialist system, but it may arise within the state apparatus when the party is in power in a complicated city. That, added to tardiness in correcting the administrative-

subsidizing system, is a very harmful tendency, if we are not sufficiently vigilant in their workstyle and lifestyle and are aloof from the masses. In our city, a key feature of the fierce struggle between the two paths and between the enemy and ourselves, is that more than anywhere else and than at any time, we must create among the cadres and the people's consciousness of "living and working according to law." That manifests the teaching of Lenin: "The most outstanding and enlightened among the workers and peasants must make all-out efforts, be persistent, and be flexible in order to completely transform the outlook of the masses and help them change over to a life of regular labor, with order and discipline." (Footnote 12) (Lenin, "The Immediate Tasks of the Soviet Administration," Su That Publishing House, 1975, p 65) In our city's courts, internal security organs, economic arbitrators, etc., are no longer "bureaucratic and remote" vis-a-vis the masses, as under the ruling regime of the oppressors and exploiters, but must be organs "responsible for enabling all downtrodden people, without exception, to participate in state management (because the activities of the courts are one of the functions of state management), and the courts are governmental organs of the proletarian class and the poor and are a means of teaching discipline." (Footnote 13) (Op. cit., p 99)

Therefore, teaching consciousness of regarding laws and labor discipline as representing freedom and social justice is a very important tasks in our city.

d. Experiences in building the revolutionary regime in the city with the qualification of being a person who "organizes in accordance with the new mode the most profound bases and economic bases of the lives of tens of millions of people." (Footnote 14) (Op. cit., p 63) During the recent period there have arisen three major problems:

1. With regard to division of labor and decentralization: on the basis of the guiding viewpoints of the Central Committee, division of labor and decentralization do not amount to distributing wealth, but are intended to develop to the maximum the potential of each local echelon. One echelon which organizes and manages a task, in order to meet the needs of the economy and life of the nation and the localities. The city has applied them to its special characteristics and has made advances in each phase.

The special characteristics of the city, from the point of view of the management requirements of a revolutionary state, and that it has only recently been liberated, its population make-up is very diverse, its economy still consists of five components, central and local industry do not account for a high ratio in comparison to small industry and handicrafts, private commerce and services have developed strongly, the needs of the material and cultural lives of the people are very diverse, and we have begun to transform and reorganize the economy and care for the lives of a very large population. The problem that has been posed is to ensure the centralized leadership of the municipal party committee and the effective centralized management of the municipal people's committee, so that they are capable of handling all complicated economic-social problems in such an area, and to develop the strengths of the locality and gradually reduce the phenomena of evading the supervision and control of the proletarian dictatorship in an immense sea of small producers and the petty bourgeoisie, who "every day and every hour

promote capitalism," without falling victim to egalitarianism and bureaucratism or relaxing the city's centralized leadership and guidance. That amounts to finding a model for organizing inner-city precincts and subprecincts.

Between 1975 and 1977 the precinct echelon was still the primary budgetary echelon and echelon for exercising the state management function. Between 1978 and 1980 the city decentralized to the precincts management of a number of economic tasks and the organization of the material-cultural lives of the local people. It was the echelon which participated in drafting plans and in carrying out the economic-social plans assigned by the city (but was not yet the planning echelon and did not have a comprehensive budget). Since the beginning of 1981 the precinct echelon has been made the planning and budgetary echelon. The three phases of decentralization during the recent period demonstrated that the city's view toward the inner-city precincts is appropriate to the situation. The implementation of the transformation mission, accompanied by reorganization and management, in a city in which there are still five economic components cannot be a merely economic or merely administrative manner. That task is in fact part of the effort to encourage and organize the masses to simultaneously carry out the three revolutions and strengthen the proletarian dictatorship at the basic level. The leadership and management of the collective economy, joint public-private enterprises, cooperation with private business, and the family economy are very demanding and complicated, so we cannot but decentralize to the districts the carrying out of inventories and control by the proletarian dictatorship with regard to the economic components. Furthermore, when assigned responsibility for building up and managing the state enterprises and the joint public-private enterprises, and the development of small industry and handicrafts, the precinct echelon is capable of developing the potential of the locality with regard to material-technical bases, scientific-technical personnel, and labor, while also contributing, along with the municipal echelon, to strengthening the industrial-agricultural relations with the provinces, achieving close coordination between organizing and leading economic development and the stabilization and improvement of the people's living conditions, especially the providing of a rather large number of jobs for local workers in an active, practical, and effective manner. The socialist commercial network at the precinct and subprecinct levels, which is managed by the precincts and subprecincts, has played an important role in supplying essential goods and in providing the two main daily meals of the working people. The role of the Municipal People's Committee and the municipal sectors in guiding the precincts and districts in exercising sector management based on over-all plans has fulfilled the centralized leadership and management requirements of the city in all regards: economic, political, social, security, and national defense.

With regard to the subprecincts and villages, until recently we were still at the level of assigning specific tasks so that the subprecincts and villages could work with the precincts and districts in organizing the full implementation of the missions and authority assigned to them by the city. the city has made the subprecinct-village echelon a planning and budgetary echelon. In addition to its state management-administration function, the subprecinct-village echelon has also been assigned responsibility for all-

around economic-social management, for managing small industry, handicrafts, and marketing cooperatives, for grasping the labor situation in order to, along with the precincts, provide jobs, for managing the cultural, public health, education, day-care center, and nursery school facilities which directly serve the subprecinct's people, and for the management of small markets, coordination with the precincts and districts, and responsibility for transforming industry and commerce, income and expenditures, collecting fees, and collecting, agricultural, industrial, and commercial taxes. In addition, the subprecincts are responsible for supervising the upper-echelon facilities in the subprecinct with regard to activities related to the lives of the local people.

Decentralized full economic accounting responsibility and authority to take the initiative with regard to planning and finance. With regard to such professional units as hospitals, schools, scientific research and service facilities, cultural facilities, and public welfare facilities, the city has also expanded financial authority and the responsibility system. The professional units which have incomes have gradually implemented the system of balancing income with expenditures, advanced to economic accounting, and instituted the system of setting up three funds.

The division of labor and decentralization of precincts and districts in the city have brought about initial results in economic management and in caring for the lives of the people. If those tasks were centralized at the municipal level, as during the first years, it would be difficult to carry them out well.

However, in carrying out the division of labor and decentralization a number of problems still exist: the division of labor and decentralization with regard to the villages outside the city have been carried out slowly and there has been a lack of specific guidance. With regard to the production-commercial installations, we must continue to perfect the management mechanism and ensure the right of those installations to take the initiative in the spirit of the resolution of the Sixth Plenum (fifth term) of the Party Central Committee. The professional installations have been assigned authority only to a limited degree. The budgetary responsibilities of the precincts, districts, subprecincts, and villages must also be adjusted so that they can be rational, in accordance with the viewpoint of creating the most favorable conditions for the lower echelon. The sectors, such as the commercial sector, we must enter deeply into many aspects, such as the depreciation ratio between the municipal echelon and the precinct echelon, the setting of commission rates for the subprecinct marketing cooperatives and retail agents, the contracting out and purchasing of products in each area, etc. Especially, the political-ideological work must be on a par with the division of labor and decentralization, in order to ensure centralized, unified leadership, oppose arbitrary liberalism and violations of the principle of democratic centralism, and oppose all tendencies to chase after profits and take advantage of price disparities. There has appeared a tendency for some precincts and subprecincts to stress opening restaurants, get into the music business, etc., in order to earn quick and easy profits, and have not paid attention to investing in the development of production in the localities or by means of economic alliances. That is an unwholesome tendency which must be promptly

corrected before it becomes widespread and causes economic, social, and ideological harm.

2. The streamlining of organization. Our administrative apparatus has the major deficiency of being too weighty, cumbersome, and inefficient. There are too many services, departments, and bureaus at the municipal level. We cannot, for that reason, be efficient and rapidly meet the needs of the people. On the contrary, the indirect and intermediate levels have proliferated, coordination is very difficult. Some tasks which could be carried out in only an hour are stretched out indefinitely. The more departments there are the more meetings there are and the more of the people's time is lost. The problem of reducing the administrative overhead was posed long ago but the key matter is still that the problem of the management mechanism has not yet been resolved, so the changing of the organizational structure and the reduction of the administrative overhead are still patch-work in nature.

During the past 10 years the Municipal Party Committee has made many efforts to gradually improve its working relationships with the elements directly under it, and has issued regulations regarding the functions and missions of each of them, in order to limit the waste of labor, put the management apparatus onto the right track, and make productivity, quality, and efficiency standards. During the past 10 years the regional state apparatus has tended to decline gradually. In 1983 it was only 88 percent as large as in 1982. However, in general the number of employees has not been notably reduced, the work style is outmoded, and there have been a number of revolutionary upheavals in organization, which have been major obstacles.

The city has too few good models of "work proceeding well and the quality of service being high although the number of workers is small." If we know how to calculate effectiveness and boldly eliminate the old bureaucratic-subsidizing management system, we can reduce the administrative overhead even more in all sectors of economic-social management in the city. Of course, that overhead is only part of the over-all organization and cadre work, according to the structure formed by the old management mechanism. If the over-all management mechanism undergoes a "complete transformation," as emphasized by the resolution of the 7th Plenum of the Party Central Committee (fifth term), it is certain that we will be able to overcome the "inertia, cumbersome, and inefficiency" of the state apparatus, which have existed for too long and which have deeply harmed the budget and adversely affected the economy as a whole and the lives of the cadres and the people.

A matter that must be emphasized here is the regime's organization and cadres. We all know that things continually develop, and that organization and cadres are necessary in each phase. We must always be vigilant with regard to the organization-cadre work because it can easily fall behind the inevitable development of the economic-social process, especially in a highly dynamic city. Overcoming the diseases of conservatism and inertia and the diseases of narrowness and remoteness from the basic level, and equipping organization cadres with theoretical knowledge so that they can analyze the situation and fully understand the city and its people, are problems which were posed long ago but have not yet undergone a truly basic transformation. Furthermore, we

have to a certain extent been "rightist" in assigning cadres and people who are inappropriate to the new, management mechanism but who still hold key positions. That is also a reason why the resolution of the 7th Plenum (fifth term), which severely criticized our "inertia."

3. Regarding the organizational mechanism at the basic level: "Exercising collective mastership by means of the mechanism. That is a special characteristic under the conditions of the party holding political power. For many years now our city has posed the problem of creating increasingly specific organizational mechanisms for the various kinds of installations to form a common goal, on the basis of which to bring into play the collective mastership right of the working people and carry out the three revolutions at the basic level.

The decisions of the Municipal Party Committee regarding the organizational mechanisms at the subprecinct, village, and industrial enterprise levels in 1981, on the one hand crystallized the process of experimentation over a period of many years, and were also important factors in the rather comprehensive accomplishments in economic-social management in recent years.

After 3 years of implementing the precinct, village, and enterprise organization mechanisms, more than two-thirds of the neighborhood teams and people's teams in our city have attained "good" or "strong" standards, the number of progressive units, socialist labor teams, etc., has increased every year, and the number of deficient units has decreased, or been eliminated, in some precincts and districts.

In recapitulating 3 years of implementing the basic organization mechanism, the city stressed three lessons that are worthy of attention:

a. Thanks to the increasing concertization of the organization mechanism, down to the smallest cell of society, their significance with regard to conciliation among the people, political-morale solidarity and unity, and an atmosphere of mutual understanding and mutual assistance among the city's people, who have long-standing tradition, have become actualities, the nature of the new regime has become increasingly clear, and the implementation of the stands and policies of the party and state has been deeper and broader.

b. On the basis of the common regulations, the city has mobilized the creativity of the masses at each management level, given rise to conventions of a mass voluntary nature on the production, distribution-circulation, cultural, social, security, and national defense fronts, as well as the five conventions regarding the cultured way of life, the six conventions on protecting national security, and the conventions on protecting, caring for, and educating children, etc., regarding the neighborhood teams, people's teams, wards, hamlets, etc.

c. The lessons regarding the utilization of combined strength have a real significance when they can bring into play the mass organizations at the basic level and in each neighborhood team. The actual situation in the city during the recent period has proved that "precincts will be strong if the neighborhood teams are strong, and the precincts and districts will be strong

if the subprecincts and villages are strong." That strength is combined strength of even the smallest residential areas. It is combined with the concentrated strength of the upper echelon to form the combined strength of the city. Another significance of that combined strength is that even the smallest groups and individuals are cared for and guided, and equal conditions are created for them to advance, whether rich or poor, male or female, with the common standard of the degree of socialist progress. That is the greatest feature of socialism, which we are endeavoring to gradually realize: "All for one and one for all."

All of those contents manifest the mechanism of the party leading, the working people serving as the collective masters, and the governmental administration managing, in the spirit of the fourth and fifth party congresses.

State management is a science. But above all it is a revolutionary task with profound mass proselytizing contents.

Although the city's revolutionary regime was set up a late date, it had been prepared over a long process, in the struggle movement to win freedom of the people at the basic level and in the organizations and enterprises during the period in which the city was temporarily occupied by the enemy. The masses clearly understood the need to win political power, and in fact our regime was formed on the basis of the mass organizations, which were the predecessors of the revolutionary regime. The masses shed their blood to win political power and therefore highly value it and react toward anything threatening it (acts by the enemy and also violations by cadres).

Therefore, the regime that has been created and increasingly perfected is the result of the process of revolutionary struggle by the working people over a course of centuries. It is revolutionary in nature. The content of its activity is organization and management on a society-wide scale.

During the first days after we assumed political power in the city we were inexperienced because we were not yet familiar with that kind of specialized work. However, we carried out the governmental work with revolutionary ardor, and always knew how to tie in the administration with the masses. On that basis we gradually learned how to do governmental work in regard is that we had to be extremely indulgent and respectful, and had to protect that revolutionary nature, in the sentiment of the cadres and men and in the work style of attentively listening to the masses, in order to be "responsive" toward them. We are perhaps still lacking in professional matters. We will be able to master those matters in 5 years, 10 years or longer, but if our regime loses its revolutionary nature it will amount to nothing.

With regard to a city that is an industrial center, we must know how to manage it scientifically and must assiduously and persistently "study management," as Lenin taught: We must modestly study the "specialists" with management experience, even among the ordinary masses, and among people of many different social origins who have accumulated much life experience in the city. Furthermore, an industrial city requires an industrial management style. We cannot apply the method of dispersed, rural "small production," of fragmentation along the lines of "individual plots," or even worse, inviolable

"fiefdoms," in which individual desires and preferences are lauded and the law of the harmonious development of the whole is neglected.

The revolutionary and scientific nature of a vanguard party, once the party takes power, is manifested above all in state management and in building up the administration, the primary collective mastership tool of the working people.

Chapter X

The City's Responsibility as an International Trade Center

The tradition of international solidarity of the city's movement has existed throughout its history, especially during the two resistance wars against the French and U.S. imperialists.

After the liberation, the Central Committee affirmed that "Ho Chi Minh City is one of our country's international trade and tourism centers."

With that special characteristic, during the past 10 years, with the implementation of the party's external lines and policies, the city's external work has developed increasingly with regard to scale, intensity, and scope. It is characterized both by solidarity, friendship, and cooperation with the fraternal nations and other peoples and by a struggle on the diplomatic front.

During the first years after the liberation (1975-1976), the actual external work in the city consisted of receiving delegations of international guests arriving to celebrate our people's great victory and the expression of Vietnam's gratitude to our friends in all countries, especially the socialist countries.

The period between 1977 and 1979 was a period with many major changes in our country and in the world. The enemy launched an "anti-Vietnam" campaign on the greatest scale ever, politically, diplomatically, economically, culturally, and ideologically, accompanied by the ferocity of the border wars.

The most outstanding developments were the "human rights," "Chinese living in Vietnam," and "emigre" campaigns, which slandered the policy of socialist transformation and our policy of reeducating the high-ranking officers and officials of the puppet army and regime, who were war criminals and traitors. The city became a focal point of the enemy's attacks. It coped victoriously with their anti-Vietnam campaign.

The central echelon has now decentralized external activities to the city, which expanded them in many spheres.

During the past 10 years, every year about 500 delegations, not counting those exchanged between the city and such sister provinces and cities as Leningrad, Leipzig, Bratislava, and the Bagne District (France), including party, national assembly, and governmental delegations, diplomatic corps, press groups, mass associations, and friendship delegations. The number of international visitors to the city has increased every year.

There are 30 diplomatic, economic, commercial, airline, maritime, and other representative organs in the city. The central echelon has assigned the city responsibility for consulate work.

The central echelon has also authorized international conferences, international meetings on education, culture, posts and telecommunications, geology, planning, vocational training, and social security, international labor conferences, the Asian-African Writers' Conference, etc.

In the course of 10 years of fulfilling the external missions assigned it by the central echelon, the city has achieved accomplishments in three principal respects:

1. We all understand that in the 1970's and 1980's the alliance between the reactionaries within the Beijing ruling circles and the U.S. imperialists is the greatest act of treason in the history of the international communist movement. China is a power which threatens world peace, especially in Southeast Asia, in which Vietnam is the focal point. Saigon is a focal point within that focal point. Our friends and people of good will around the world did not all understand from the beginning the true nature of the extremely complicated phenomena of the international situation.

There are many matters shared by the entire nation, but international attention has been concentrated primarily on the city, which had just been liberated and had many political, economic, and social problems most worthy of concern, "A microcosm of Vietnam," as many people said. In other words, Vietnam is one of the hot points of the "who defeats whom" struggle between the two paths in the world, and the city is Vietnam's response to the very poisonous "smokescreen" blows by the Beijing reactionaries in league with the U.S. imperialists.

We have created conditions for our friends and international guests visiting the city to understand the actual situation in an objective manner, in order to resolve concerns and worries about which they are concerned. In fact, more than 500,000 Chinese in the city are living and working normally, at a time when our nation must cope with the very cruel border encroachment attacks by China, combined with the multifaceted war of destruction in the interior. The ardent aspiration for peace of the city's people and the people of the entire nation after 30 years of fierce warfare and 10 years of directly fighting Beijing's plot to annex Vietnam are manifested in their daily lives and have exposed all arguments to defend their aggressive plots behind so-called "misunderstandings about strategy and policy." The reform camps and schools to treat and educate the victims of social evils in the city, and the children's hospitals, with the deformities and strange diseases children affected by Agent Orange, and the sacrifices of the working people and families whose children sacrificed their lives in the border wars while fulfilling their international missions for the rebirth of a neighboring people and to defend the northern border are "living evidence" of the unification of the Vietnamese nation and people, of our humanitarian lines and policies, and of our ability to distinguish clearly between friend and enemy, and between workers and traitors. It may be said that the city has contributed positively, along with the rest of the nation, to smashing the confusing-black-with-white "smokescreen" of the Chinese expansionists and U.S. imperialists. The city, by honoring our guests and being cordial and patient, and especially by the actual situation of the fighting during the past several years, has in the end enabled our friends to understand the situation and love

us even more, in view of the unimaginably complicated and fierce challenges that immediately followed the war we thought had permanently ended the fighting in our country.

2. With regard to international cooperation, our city has begun to establish relations with three sister cities: Leningrad (Soviet Union), Leipzig (GDR), and Bratislava (Czechoslovakia), on the basis of the principles of fraternal cooperation, responsibility, and equality.

The city has bilateral and multilateral special friendship relations with the fraternal socialist countries. Fully understanding the viewpoint of the central committee, which views all-around cooperation with the Soviet Union as a principle, a strategy, a matter of revolutionary sentiment, and the "foundation" of its foreign policy, the city has contributed to building up Vietnam-Soviet friendship, which has become increasingly close. Its relationships with the Soviet Union include a sister city relationship with Leningrad, the second largest city in the Soviet Union after Moscow, an honor bestowed on our city by the fifth Vietnam-Soviet Youth Congress. Cultural and scientific-technical activities and the exchange of performing arts, physical education and sports, public health, and mass association delegations between the cities have increasingly helped our fraternal peoples to have better understanding of each people and become closer. The international cooperative economic programs and assistance by the economic, cultural, and educational organs of the United Nations have truly contributed to helping the city build a number of material-technical bases in the initial phase of the period of transition. A matter of great significance is that the city has enabled our friends to understand that in its economic work during the period of peacetime development it has begun to learn how to do that work effectively, and has gradually rectified its economic-social management mechanism in order to conform more closely to the desires of our friends.

3. With regard to exchanges of experiences in struggle and construction, we have studied the experiences of our friends vis-a-vis the complicated course of advance in the phase of transition to socialism--although, of course, there are dissimilar features between the two cities--on the basis of obeying the universal principles of Marxism-Leninism. We have contributed to experience in promoting the struggle movement of the three revolutionary currents of the world, especially the national liberation movement of the rising nations in Asia, Africa, Latin America, and the Middle East.

With regard to our friends in the nationalist bloc or the movements struggling for peace, national independence, democracy, and social progress, the combat experiences in the democratic national revolution in the city, in both the rural and urban areas, of combining political struggle with armed struggle and the application of the viewpoint mass violence in the center of U.S.-puppet rule in the past, have provided our friends with much valuable experience regarding the line, slogan, mode, and methods of urban struggle.

The teaching of a spirit of international proletarianism in the city has been extended to the basic level by means of friendship chapters that have been set up in the mass associations. Many organs, schools, precincts, and districts have formed sister relationships with other localities in order to heighten

the knowledge and sentiment of the people, youths, and teenagers of the city vis-a-vis the fraternal people.

With regard to Cambodia and Laos, the central echelon has assigned the city responsibility, along with Hanoi, of establishing sister city relationships with Phnom Penh and Vientiane.

Since the liberation, in the southwestern border war the city has been the great rear area. Thanks to the city's external activities, the truth about the Pol Pot gang's murder of people in the Tan Bien (Tay Ninh), Ba Chuc (An Giang), and Ben Cau areas was revealed to the world. The city's youths have set out to fulfill their international obligations, thousands of families have lost sons in neighboring countries, and tens of thousands of youths are fulfilling their international obligations in neighboring countries with the sentiment "Vietnam, Cambodia, and Laos are brothers and Indochina is a single battlefield."

After Phnom Penh was liberated in 1979 our city provided it with groups of specialists from all sectors to help our friends restore activities in their newly liberated capital, which was a dead city, from utilities, housing, and public health facilities to cultural and social activities. Consumer goods from Ho Chi Minh City account for 30 percent of the goods on Phnom Penh markets at present.

In recent years, the friendship and cooperation relations between Vientiane and Ho Chi Minh City have become increasingly close and effective because Vientiane is also a city which was liberated from U.S.-puppet control at about the same time as Ho Chi Minh City and which has similar economic-technical features. Especially, the relationship between the people of the two fraternal cities has a long history.

However, we have not yet accomplished much on that front:

First of all, there is the matter of our understanding of our position and responsibility as an international trade and tourism center, as affirmed by the Central Committee. Our limited outlook has prevented us from developing to a high degree the position of a large city of the nation and Southeast Asia, and a window on the Pacific of the socialist system, thus developing the city so that it can have a stature corresponding to its increasing and varied international relations.

In its international cooperation relations, the city is still more concerned with solidarity and friendship than with promoting all-around economic relations, contributing to the great undertaking of national development, and stepping up external economic activities, cultural activities and scientific-technical activities.

We have also been slow to realize the importance of international propaganda, with regard to which the city has an advantage, not only to counter the enemy on the diplomatic front but to take the initiative in attacking the enemy on a complicated front and contribute to the offensive status of the three revolutionary currents in the world.

Tourism activities and the overseas Vietnamese work are strengths of the city, but during the past 10 years little has been accomplished. That has been due in part to the common difficulties, but also because we have not done a good job of exploiting those strengths.

Furthermore, with regard to the broad masses in the city, the teaching of a spirit of proletarian internationalism, consciousness of self-respect, and civilized, polite treatment of foreign guests by means of the mass associations and international friendship associations has not been truly deep or sharp. International information regarding the city's public which is very responsive to world events, is still very rudimentary.

We all know that in the 30-year resistance war of the Vietnamese people, many of the world's countries supported Vietnam and after the victory of 30 April the people of many countries praised the heroic Vietnamese people and ardently wanted to visit Vietnam and Ho Chi Minh City, a city with a history of heroic struggle. For the city's part, we are disappointed that after 10 years we still have not been able to show our gratitude to our many international friends in the movements for the world's people to support Vietnam and directly assist the city, including the progressive people in France and the United States. Fulfilling the aspirations of our friends around the world and our international guest, and showing our gratitude for benevolence shown to Vietnam, are obligations of our city.

In general, the city's external work has an increasingly greater importance and encompass many aspects. In the new situation, the city's external activities have three principal contents: tightening the traditional militant solidarity among the fraternal peoples, developing our economy on the basis of mutual benefit, and carrying out cultural and scientific-technical cooperation and exchanges. That is a people's diplomacy which is based on the strength of the common direction of the progressive peoples of the world, and which is concentrated on opposing the powers threatening peace, national independence, democracy, and social progress, i.e. the imperialists and the Chinese expansionists.

Chapter XI

Exercising the Collective Mastership Right of the Working People By Means of the Mass Associations

Although the forces of the entire nation brought about the great event of 30 April 1975, not all strata of people in the city have full understanding of the socialist revolution. Faced with the nation's new strategic phase, certain elements among the city's population were perplexed and confused, and were even suspicious about one aspect or another of the stands and policies of our party and state. That is easily understood because we cannot demand that everyone have socialist consciousness before socialism has become a reality. Only by means of the actual situation is it possible for the masses to gradually understand the system they themselves helped establish. One of the principal functions of the proletarian dictatorship is organizing and educating the masses, in order to continually raise the level of mastership of the broad masses with regard to society and the regime. The success of the revolution is synonymous with the working masses gaining political power. In our city, that was a great event which signified an absolute, prerequisite, all-encompassing, and basic change in social relations that had existed for 400 or 500 years. The old ruling class was overthrown and the exploiting classes were gradually eliminated. For the first time in the history of the city the workers could determine their own destiny.

One of the central missions of a proletarian party once it has taken power is to implement democracy, a mission in which the mass associations play an especially important role in the socialist democracy mechanism. The party's leadership capabilities are evaluated above all on the basis of its ability to fulfill that central mission.

The primary goals of socialism are economic work and social management. To exercise the collective mastership right of the working people is to make the broad working masses the masters of the economic work and social management.

During the past 10 years, carrying on the tradition of adhering to the masses, which has been one of its strengths throughout history, the city's party organization has made many all-out efforts along those lines.

I

The city's workers, who are part of Vietnam's working class, were suppressed and exploited for hundreds of years, and under the neocolonial yoke of the United States were also subjected to national oppression and class oppression and exploitation, and were very seriously threatened by the war. With regard to class exploitation, the capitalists applied sophisticated measures to cruelly exploit the labor intensity of the workers. In this city the Vietnamese understand more than anyone the insidious nature of modern capitalism.

Also during the time they were under the yoke of neocolonialism the ranks of the workers increased suddenly and acquired a number of characteristics: the workers of the machinery sectors developed and the technical workers and skilled craftsmen accounted for an increasingly higher ratio. Many workers attained rather high educational levels, there were large numbers of female workers in the light industry sectors, and nearly all of the workers came into contact with relatively modern material-technical bases and production processes. Thus the city's workers became a powerful force in society. Because of the expanded resistance war, the absolute majority of the city's workers had a relationship with or were profoundly affected by the rural movement. Another very important influence is that the children of the city's workers participated enthusiastically in the struggle movement of the city's youths and were the spearhead of the city's political struggle over a period of many years.

The workers' movement in the city took place continuously and fiercely, with different slogans and forms. In addition to their courage, the city's workers knew how to form open and semi-open organizations to cope with the enemy and bankrupt the demagogic policy of secret policemen posing as trade union officials, such as Tran Quoc Bui.

During the completely victorious Ho Chi Minh Campaign, the workers defended all of the factories before our troops entered the city and resisted the plot of the enemy and the capitalist owners to sabotage the machinery and the warehouses. After the liberation, in some places in which we had not had time to take over management, the workers remained in the enterprises to protect the property and warehouses, so that there would be no losses. It may be said that we liberated a city that was still intact thanks to the workers. By ensuring that the production installations would not cease operations for even a minute during those historic days, when there were major upheavals in a city that was formerly the U.S.-puppet capital, the city's workers demonstrated that they were fully conscious of serving as the masters even during the first days after they won freedom and independence, a consciousness they had nourished throughout the time they were living under the old yoke of oppression and exploitation. Practically everywhere the workers organized themselves into units and reorganized production, so electricity and water were not interrupted for even an hour. They elected representatives to the military management administration. In fact, the workers' organization were a form of military management administration from the beginning.

Thus when beginning to fulfill their new revolutionary mission the city's workers proved their capabilities in many ways. It may be said that that forging ensured that the city's workers would play the main, decisive role in the 10-year process of transformation and development in the city, which was full of fierce challenges.

The Municipal Trade Union Federation, the predecessor organization of the Red Labor Union at the beginning of the century, the National Salvation Trade Union of the anti-French resistance war, and the Liberation Trade Union of the U.S. resistance war period, immediately after the liberation rallied workers to revolutionary forces who were present at the strategic locations, maintained all activities of the city, built up and defended the revolutionary

administration, and were a very reliable source of support for the party in transforming, restoring, and developing industrial production in the city. During the difficult 1978-1979 period the great majority of the workers remained close to their machines and factories and endured hunger and hardships to maintain production. The city's workers were thus a very positive force who were very dynamic and creative and broke the bonds of the old administrative-subsidizing mechanism. The industrial accomplishments of our city during the 10 years after the revolution, of which we are proud, have been admirable contributions by the workers.

The number of trade union members has increased from 56 percent of the total number of workers and civil servants in 1976 to 92 percent, and cooperativized workers account for 60 percent of the city's small industry-handicrafts workers. The number of workers has doubled since 1976. Their ranks have been supplemented by youths who have come of age under the new regime, who are educated and rich in enthusiasm, and who were forged in the lively reality of the socialist revolution. There is a total of 400,000 workers and civil servants in the city. There are 170,000 small industry and handicraft workers, not counting 130,00 people directly employed by the central organs and enterprises in the city. Workers of the concentrated enterprises of the city and the central echelon employ 10,000 people. Those are the principal forces which have transformed the city from a consumer city to a production labor city.

Under the leadership of the party, the Trade Union Federation has developed the collective mastership forms in the organs and enterprises by means of annual conferences of workers and civil servants, the practice of signing collective contracts between the director and the workers, and the implementation of the four systems: the responsibility system, the discipline system, the public property protection system, and the system of serving the people. The workers have gradually participated in managing production, distributing production, developing internal democracy, etc., by means of activities with increasingly higher quality by the "quadrumvirate" mechanism--the party, the director, the Trade Union, and the Communist Youth Union--in the spirit of Decision 182/CP of the Council of Ministers. The city has hundreds of advanced production units and enterprises, and tens of thousands of advanced workers, including 5,600 who have been Warriors of Emulation year after year, and 611 Socialist Labor teams and units. by means of the proletarian dictatorship system the city's workers have played a decisive role in reorganizing industrial, small industry, and handicrafts production, in forming an economic-political alliance with the collective peasant class in order to build a new countryside, and in maintaining political security and social order and safety, defending the enterprises, and fulfilling military obligations to defend the fatherland. The trade unions at all level in the city have met part of the needs of the workers' material and spiritual lives, especially by constructing rest houses, steadily improving the vacation system, and being concerned with political-ideological education, and encouraging constant emulation among the workers.

By means of transforming and developing the city and advancing it toward socialism, the city's workers have transformed themselves, become increasingly mature, and manifest the nature of the vanguard class.

However, during the past 10 years the worker proselytizing work in the city has been beset with many deficiencies. In addition to the deficiencies during the initial period with regard to viewpoints toward evaluating the revolutionary level, the vocational capabilities and production management capabilities, the way of life, etc., of the city's workers:

A. The greatest deficiency is we have not yet truly been concerned with the lives of the workers. For example, the salary and bonus policies are irrational; they do not ensure that the workers have enough to live on and support their families, and are unfair. Although the city has made many all-out efforts, the lives of some workers are still very difficult. The other benefits, such as labor protection, housing, travel facilities, the retirement system, and jobs for children have not been uniformly resolved. We must pay more attention to the cultural, rest and relaxation, and educational needs of the workers' children.

A. We have not yet created conditions for the workers to become the true masters in all spheres and units. The mechanism of collective mastership by the workers in each basic unit, which has been affirmed but which has not yet been implemented to any degree. According to preliminary sociological studies in the city, the degree of participation in production management and supervision, and distribution-circulation, by workers during the recent period has not been high. The role of the Trade Union Federation and the trade union activities in many enterprises are still hazy. In some places the meetings held to sign collective contracts between the trade union and the director are still formalistic. The deficiencies on that front are very serious, especially in view of the fact that our city is an industrial center.

C. In the organization and cadre work, we have not yet done a good job of implementing the policy of employing and cultivating cadres and worker origin and to promoting them to decision-making positions in the enterprises and production units.

D. The party and trade union organizations have not yet adequately educated the workers with regard to the role of the vanguard class, so that they can serve as the masters not only in the enterprises, organs, stores, etc., but also in society at large, and in neighborhoods, and so that when they go to rural areas they can teach the peasants to work cooperatively, so that they can stand shoulder-to-shoulder with the working class in advancing to socialism. We have not paid sufficient attention to teaching workers socialist ideals; after 10 years, the level of consciousness of the socialist revolution among the workers is not very high. The educational contents are still imitative and superficial, and education has not been accompanied by the specific implementation of the leadership role of the working class. The struggle against ugly customs among workers does not have a focal point and realistic plans, and is not yet sufficiently resolute, especially the bad habit of regarding our state and the state installations as being the same as the old regime and the capitalist bosses.

Although the newspaper CONG NHAN THANH PHO has made many all-out efforts to improve, it is still weak, lacks liveliness and attractiveness, does not yet reflect the personal thoughts and aspirations of the workers, and does not yet play an important role in educating and organizing the workers.

E. Although the trade union organizations at all echelons have made progress during the past 10 years, they still have a long way to go before attaining the nature of trade unions in the phase of national development. In general, the trade union organizations have not yet abandoned activities which are based on the subsidizing mechanism and tend toward bureaucratism and formalism. In some places, the trade union organizations do not yet represent the interests of the workers, reflect the aspirations and personal thoughts of workers, or are in close touch with production, but are officialistic in nature and regard trade union activities as "professional" administrative activities. In general, the trade union organizations do not yet correspond to the central position of industry in the city and have not yet become socialist schools for the working class. Those are the most fundamental weaknesses of the party organization's worker proselytization work.

II

As is true with regard to the Vietnamese peasant class in general, the peasants outside the city have a tradition of following the party in carrying out the national democratic revolution, and are loyal to the party of the working class.

The characteristics of the peasants outside the city are that they are accustomed to commodity production and have a semi-industrial, semi-agricultural nature. Agricultural production in the outskirts of the city has developed thanks to its proximity to the city's industry. The peasants outside the city have had contact with modern agricultural techniques and with commerce.

Furthermore, during the resistance war the rural areas outside the city were revolutionary base areas and the peasant class had national consciousness and were the forces who bore the brunt of the war of annihilation waged by the U.S. imperialists, so their revolutionary struggle was very resolute.

After the revolution, in the socialist revolution, the peasants outside the city, along with the workers in the city, are the main forces and have endeavored to heal the wounds of war, restore and clear land, and change the "no man's land" into green fields.

During the initial years of difficulty and missteps, especially after the issuance of Resolution 21 of the Municipal Party Committee on building a new countryside, which was directly guided by the rural subcommittee of the Municipal Party Committee, the transformation of the peasants outside the city was closely tied in with the renovation of the countryside. Recently, industry, science, and technology in the city have not only continually stimulated production and improved the peasants' living conditions, but have enabled them to come into contact with advanced techniques. Many peasants quickly began to improve techniques and came up with innovations in creating

high-level vegetable areas, model fields, and high-yield fields, and selected crops and livestock which brought about maximum economic results.

Having developed their skills during the resistance war, under the leadership of the party the collective peasants created contracting-out forms that were appropriate for each area and, especially, found modes for organizing agricultural-industrial-commercial-credit-services-exports cooperatives, ensured the solidity of the collective livelihood organizations, and accelerated the cooperativization rate for future years. At present, 70 percent of the peasant households are cooperative members. There no longer exists the situation of "the outside leg being longer than the inside leg." The peasants have enthusiastically entered the cooperatives as people who are masters of the countryside and faithful allies of the working class.

The raising of the knowledge and political levels of the peasants outside the city has affirmed their revolutionary nature. If we know how to build on their tradition during the past 10 years of going along with the workers and the peasants, and promptly amend the economic policies related to the peasants, the worker-peasant alliance will become increasingly close and there will be created the main strength of the socialist revolution in the city and, as Lenin said, the supreme principle of the proletarian dictatorship.

The collective Peasants Association--the successor of the Red Peasants Association, the National Salvation Peasants Association, and the Liberation Peasants Association--educated and rallied the masses. The association, which had few members in 1976, now has 122,000 members, more than 50 percent of the members of the agricultural production cooperatives and collectives, and has a network extending from the municipal level down to the district, village, and hamlet levels and relations with the Mekong Delta province. For the first time in history, the peasants outside the city transformed themselves into the collective peasant class and had a new organization for its class.

The congresses of members of collective agricultural production organizations, in which the Collective Peasants Association members serve as the hard core and which has new contents and quality, and discuss democratic management, fair distribution, and the fulfilling of grain, agricultural taxation, and national defense obligations, have increasingly strengthened the mastership right of the peasants.

However, although the lives of the peasants outside the city have been improved, they still lack many things, especially agricultural materials, construction materials, household items, kerosene, cloth, etc. Transportation facilities, roads, mass communications, publications, books, and cultural-artistic facilities are still very limited, and the three revolutions have not been carried out well in the rural areas. The city's role as an industrial, scientific-technical, and cultural-artistic center has not yet strongly and uniformly affected the transformation of the rural areas outside the city. Especially, the price policy has not encouraged the peasants. Furthermore, although the Municipal Party Committee has made specific decisions regarding the organizational mechanism of the basic village echelon, the mastership mechanism in the rural areas has not been effectively developed and socialist democracy has not been clearly manifested. The Collective Peasants

Association is still confused with regard to direction, contents, and operational mode. The mission of the Collective Peasants Association in building socialism has not been clearly determined, especially now that the peasants have a new political-economic organization form: the cooperative. Education by the party, especially by the local party organizations, is not yet deep, especially with regard to the middle-peasant stratum, who are still considerably perplexed vis-a-vis the path of advance to socialism. The relationship between the peasants and merchants has, for economic benefit, developed at times and in places, in part because we have not promptly amended a number of economic policies related to the peasants, and in part because we have not closely combined the transformation of agriculture with the transformation of industry and commerce in the rural areas outside the city. Therefore, although the peasants have escaped from the exploitation of the feudalists and landlords, they are still exploited every day by the private merchants.

III

The city's intellectuals have a patriotic tradition of resisting foreign aggression. Many of them participated in two resistance wars and in the struggle movements for national rights, social justice, and peace.

The ranks of the intellectuals in the city are large, most are still young and have good professional qualifications, and many are among the leaders of their sector. They are of many different social backgrounds, and lived many years under the old regime and were continually exposed to U.S.-puppet anti-communism. Of course, their political consciousness is not yet uniform, but they have a tradition of patriotism and were direct victims of the oppression and "gray matter exploitation" policies of the imperialists and comprador bourgeoisie, against the background of the resistance war by our entire nation and the increasingly strong development of the struggle movement of the oppressed people of the world. They all aspired for independence, democracy, peace, and social progress, and hoped to be able to contribute to building an independent, rich, and strong Vietnam. The U.S. imperialists and the bourgeois class wanted to transform them into "anti-communist nationalists" supporting the U.S.-puppet regime, but the enemy ran up against unexpected resistance: instead of serving and fearing the Americans, they despised them and hated the U.S.-puppet regime. Some participated directly in the revolution, while the majority, for many different reasons, maintained a "neutral" attitude, remained aloof from politics, and withdrew into their professional fields (in some respects, that was a minimum requirement of the party in the struggle with the revolution to win people over).

After the liberation, unifying intellectuals of many different origins, with goals of building socialism and defending the fatherland, was a major concern of the municipal party organization.

During the first years after the liberation, the economic situation was in some respects favorable. That was an objective factor which created a common psychology of enthusiastically entering into the socialist revolution. The Patriotic Journalists' Association, the Patriotic Teachers' Association, the Liberation Artists Association, the Patriotic and Democratic Journalists

Association, etc., which existed during the resistance war period, encompassed nearly all of the intellectuals in the city. It may be said that for the first time the city's intellectuals had a political mass association.

The difficulties of the 1978-1979 period considerably affected the intellectuals. Because of bad living conditions, more than 1,000 of them left Vietnam to live in capitalist countries. That was a loss for both them and the nation. But the great majority of them remained and overcame the challenge.

During recent years, the party organization and people of the city have created conditions for the existing intellectuals and those trained in socialist schools to contribute more effectively. They developed their talents in the scientific-technical, social science, and management science fields, and in the cultural, educational, public health, construction and public welfare projects. The Patriotic Intellectuals Association organized scientific-technical clubs, technical and vocational training centers, technical and translation service companies, etc., which were essential conditions for them to participate in activities. Recently the city has had many organizational forms to expand knowledge, such as director's clubs and specialized associations. The old and new artists, journalists, etc., have contributed to enriching the contents of social life in the city, imparting a new flavor to art and mass communications in an industrial center, overcoming formalism in those spheres, etc. We must create conditions for them to do a good job and correctly evaluate their contributions. That is the basis on which to unify intellectuals of many different social origins and levels, vis-a-vis the goals of socialism. The city's intellectuals have been supplemented by many young men and women who were trained in colleges in the city, and who are the children of workers in the city. The number of people in sectors requiring college and graduate educations has increased from 20,000 just after the liberation to more than 50,000 today, and many talents have emerged from among youths. The city's new intellectuals have been rather well trained and have supplemented one another's strengths and weaknesses, and the "gap" between them has been gradually reduced.

Of course, some of the intellectuals still are not truly at ease, in part because the city's policies are not yet truly appropriate and do not have persuasive power, and in part because many of them are still confused by the revolution, which has brought about profound changes, although it cannot eliminate all of the old things within a brief period of time. However, according to a very correct saying of most of them, the city's intellectual class at present consists of only one corps, a corps of socialist intellectuals who are working for socialism: "If that corps of intellectuals expresses its problems to the regime, the regime will never become a problem."

Regarding the party organization, we still have many deficiencies, which were dealt with in a preceding part (the chapter on science and technology), but the principal matter is that we must know how to correctly evaluate the actual capabilities of individuals and group. We must comprehensively improve economic-social management, implement socialist democracy to do a better job of ensuring that collective mastership is actually exercised, create conditions for the intellectuals to make real contributions to the city's

economic-social-cultural development programs, and create a basis on which to encourage enthusiasm on the part of all intellectuals, and form a strong alliance of workers, peasants, and intellectuals, the main forces in building socialism. At the same time, we must do an increasingly better job of improving their material lives so that they can correspond to the value of their contributions, and make effectiveness the standard of evaluation. Finally, attention must be paid to fully utilizing the intellectuals in all sectors, especially the social science sector, in which many talents are being wasted.

IV

During the democratic national revolution, the city's youths were always assault forces in fighting the enemy. However, the U.S.-puppet policy of terrorism accompanied by the seduction and corruption of youths also led to instances of hopelessness, pessimism, joining the Buddhist priesthood, misanthropy, or living in the fast lane and living materialistic lives, on the part of some youths.

After the liberation, there were more than a million youths in the city. Even though their numbers have been increased by half during the past 10 years, most of whom lived under the new regime, the vestiges of the past continue to exert harmful effects.

The city's youths are still a category the enemy seek to influence in all ways, for they know that to strike at the young people is to strike at the strength and future of a nation. They avoid clashing directly with the ideals of socialism because they know that that is a sphere in which they cannot defeat communists. They exploit the weakness of youth: their instincts. Taking advantage of some wayward youths to infiltrate all kinds of decadent cultural products and luxury goods to encourage the greed of some youths. That silent war takes place every day and every hour in all alleys, on all streets, and in all aspects of life. At time it even takes place in the socialist schools, in the organs, in cadres' families, and in armed units, with everything from foreign cigarettes to strong liquor, and from the pursuit of imported luxury goods to the habit of visiting secret houses of prostitution.

They exaggerate the deficiencies of the revolution and spread the poison of suspicion, pessimism, the worship of foreign things, the pursuit of ephemeral pleasures and the avoidance of obligations, and the rejection of all moral values in defense of their promiscuity and degeneracy. In general, their goal is to corrupt youths so that they can easily debase our entire nation and force our people to kneel down and worship expansionism and imperialism.

The city's youths have always had a tradition of patriotism, are educated, easily assimilate new progressive things, and are enthusiastic in all social activities. The city's party organization, of which the Communist Youth Union serves as the hard core, has brought into play the fine qualities of youths and organized them so that they can make great contributions to the socialist revolution and defeat the enemy plot to win over revolutionary youths.

Providing jobs for youths in the economic-social sectors, organizing Assault Youth forces, organizing political-cultural classes at many levels for youths of all strata, including schools for wayward youths, launching many Assault Youth movements in all spheres of activity, bringing youths into labor, and by those means creating a new generation of youths with ideals, a wholesome way of life, and the qualities necessary to build socialism and defend the socialist fatherland, are major accomplishments of our city's party organization and people over the past 10 years.

Immediately after the city was liberated, movements for youths to participate in industrial and agricultural production, build water conservancy projects outside the city, maintain order and security, mop up the reactionaries, transform the industrial and commercial bourgeoisie, enlist to defend the nation, advance into science and technology, study cultural matters, etc., were launched and developed.

As mentioned above, the Assault Youth movement in the city was a movement of greatest significance.

On the economic front, the most seething youth movements have been launched since 1980, such as the "emulation movement to fulfill plans early," and the "improve vocational skills and participate in skilled worker examinations," "produce organic fertilizer and do irrigation work," "model fields and high-yield fields," "skilled young state retail clerk and skilled tax collection," the formation of youth factory departments, youth stores, youth projects, and other movements. In every sector there have appeared outstanding individuals, mine-clearing heroes, "golden hands," and Warriors of Emulation.

On the cultural and scientific-technical fronts, there have been fairs and exhibits of youth projects, scientific-technical innovations by youths, creativity demonstrations and examinations, and cultural clubs and centers from the municipal level down to the precinct, district, subprecinct, and village levels, which have attracted the great majority of youths to the new way of life. They know how to enter into culture and art to heighten their sentiment and knowledge, including "finding solutions to the serious problems of life."

During recent years the city's socialist schools have every year provided the city and the nation with hundreds of thousands of youths with general secondary school, specialized secondary school, and college educations. That has brought about a new transformation in the structure of the city's youths 10 years after the liberation.

On the security and national defense front, in the "Assault Youth to protect national security" movement and the movements to fulfill military obligations, follow in the footsteps, of heroes," "determined-to-win warrior" and other honors, there have been many accomplishments by public security units and army units, and in the subprecincts, villages, blocks, neighborhood teams, and people's teams.

Although there have been outstanding accomplishments in the city's youth movements, they have not yet attracted all strata of youths. There are still some youths who are backward, wayward, and have not been affected by the great changes in the city during the past 10 years. Such bad customs as carousing, living lives of playboys, being lazy toward labor, lacking discipline, and stealing, and even serious law violations still occur in places. Enabling backward youths and average youths to make progress not only manifests the love and responsibility of all of us but also amounts to a victory over a dangerous and omnipresent enemy of our people in the struggle to "win the hearts and minds of people." It is a task that requires persistence and is arduous, one for which we are all responsible. Of course, the city's youths are primarily responsible for their progress. With regard to rallying forces, we lack light, flexible organization forms, especially in residential and rural areas. In general, the activities of the youth Federation are still weak. The city still does not have a youth publishing house.

During the past 10 years, we have not swept away all garbage of the old regime. There have even been many evils which have arisen among youths who grew up during that period. Our struggle against the enemy's plots and schemes to win over youths will continue to be a difficult, long-range struggle. But the transformation of the city's youths along socialist lines, as analyzed above, is a certainty. That further increases our confidence in the city's young generation, and at the same time is a vote of confidence in the city's youth's ability to advance.

V

Under the old regime, the city's children were subject to many deprivations and much unhappiness.

However, during the resistance war there were many examples of heroism by young martyrs in the city.

After the liberation, the city's party organization and people made care for children a responsibility of the entire party and population. After the resolution of Municipal People's Council in 1976, the city set aside all the best things for its children. The residence of the puppet vice president became the Municipal Children's Cultural Center. The districts, precincts, subprecincts, and villages all set aside the best houses for day-care centers, and there were even night classes for uneducated poor children, classes for homeless youths, special schools for crippled children, etc.

At present, 70 percent of the children are members of the Ho Chi Minh Vanguard Teenagers Unit, 55 percent of the children are members of the Ho Chi Minh Children's Unit, and 27 percent of the children are Well-Behaved Children of Uncle Ho (the total number of members of the city's teenagers' and children's units is more than 980,000). During the 1983-84 academic year alone 700,000 children were awarded the title "Little Dien Bien Phu Warrior." the ratio of misbehaved children in schools fell from 2.2 percent to 0.5 percent. The "Red Kerchief" publication house have contributed very positively to meeting the children's education requirements.

Since the promulgation of a state law 5 years ago on caring for and educating children, teenagers and children committees at all levels, from the municipal level down to the precinct, district, subprecinct, and village levels were set up and formed an organizational mechanism in which the Communist Youth Union, the education sector, and the mass associations serve as the hard core.

With the goal of endeavoring so that our children can be treated equally with regard to their material lives, health, study, and play, the city has effective activities in accordance with the slogan "The state and the people work together." We are concerned with ensuring the better coordination of the three educational environments of children: the school, the family, and society. The contents of the children's education must especially stress truthfulness, avoid formalism, and be on guard against the disease of taking credit. Education must be practical and adults must set good examples in all three of those environments. Education must be very specific, such as not cursing, not disturbing the neighborhood, respecting adults, doing good deeds, and arriving at school on time. Education must be tied in with labor and carried out by means of labor, etc. With regard to organization, we do not yet have many lively forms for organizing children, especially those for after-hours education in the residential and rural areas. Of course, the common difficulties of the nation have limited results, but we are proud that we have made all-out efforts in the spirit of "everything for the future of our children."

VI

Under the old regime the women in the city were victims of oppression and exploitation. They were looked down on and suffered many hardships. At the beginning of this century the first women's magazine--NU GIOI CHUNG--by Suong Nguyet Anh, the daughter of Nguyen Dinh Chieu, was a press organ which signified the arising of the city's women from under the colonial-feudalist regime, which had buried them. The "heroic, unyielding, Vietnamese women is also a source of pride for the city's women, who have provided many models of heroines in many historical periods. The city is proud of having many outstanding women's movements, many resolute female cadres, and many outstanding women on all fronts.

After the liberation, on the basis of the characteristics of the city's women and the glorious tradition of each category of women, from workers, laboring peasants, and intellectuals to mothers and housewives in the hamlets, small merchants at the markets, and especially women in the education, public health, and service sectors, the city has created conditions for women to enter into all aspects of social activities. That is the basis on which to develop the great potential of the city's women.

With regard to restoring and developing production, and economic management, the city's women have advanced to equaling, or in many respects surpassing, men. In 43 economic sectors which attained outstanding results, 17 were managed by women. Most of the workers awarded the "warriors of emulation" and "golden hands" honors in the textile, tailoring, ship building, machinery, chemicals, and other sectors are young female workers.

In agriculture, female workers are in the majority and have contributed considerably to building the new countryside. Many are outstanding agricultural workers in model, high-yield fields and in the city's high-grade vegetable belt.

Most of the workers in public health and education are women. During the most difficult years they work at their positions with enthusiasm for labor and service and were raised to a new level by the revolution. They have carried out research projects of national importance with regard to public health, some teachers are among the best in the nation, and many of the women are skilled in raising children. On the scientific-technical front, in general they have made outstanding contributions.

In the sphere of distribution and circulation, we still remember that during the first years after the revolution the female workers changed a number of narrow concepts regarding their roles when they assumed responsibility for distributing rice in the city and attained better quality of service than the state grain system. In recent years the women have been the principal force in winning glorious victories on the grain fronts, and also meat, fish, and vegetables.

Women account for more than 58 percent of the city's workers (more than 980,000 in all), and about two-thirds are young women. They account for more than 51 percent of the workers in the state sector, 53.4 percent of the industrial workers, 60 percent of the agricultural workers, 75 percent of the small industry-handicrafts workers, 64 percent of the commercial workers, 80 percent of the workers in the public health and education sectors, and 100 percent of the child-care workers.

The educational level of the city's women is a new feature which reflects their great capability. Women account for 53 percent of the socialist intellectuals with college educations, 42 percent of those with graduate educations, and more than 52 percent of the students.

During the 10 years since the liberation, a brief period in comparison to the nation's development, those results were great accomplishments for the city and surprised even the people most enthusiastic toward the cause of women.

The Municipal Women's Federation, which was formed from the national salvation and liberation women's organizations during the resistance war, is the main force of the movement. Under the leadership of the party, it has increasingly rallied the female masses. In 1976, only 30 percent of the women were members, but by 1983 that ratio increased to 65 percent. Including the female members of trade unions and the other organizations, more than 95 percent of the women are members of revolutionary mass associations of all kinds. The lessons with regard to the women's movement in the city are that we know how to relate it to the rights of women and the characteristics of the city's women, who are very dynamic and enthusiastic. The Women's Federation has remained close to the basic level and to its teams and chapters in each sector and unit.

The newspaper PHU NU of the Municipal Women's Federation has been improved year after year with regard to form and content, and is playing an important role in guiding women.

With such organized women, if we know how to develop them and have better operational modes, their strength will be multiplied. At present, the education of women does not have profound, concrete content, and some places are even satisfied with the vague political content which is not yet related to the rights of women. In evaluating the women of all circles many people do not yet fully realize the revolutionary nature and great capabilities of the city's people. The custom of inequality toward women on the part of most men has also created very great obstacles for the enterprise of liberating women and achieving real equality. In the city, we have not yet done much to ensure that women do a better job of fulfilling their obligations as mothers, the most sacred obligation in community life at the basic level. We also have not yet spoken to the women sufficiently about the relationship between liberating women and the great undertaking of building socialism, for only by rapidly advancing the city to socialism can we fully resolve the problem of liberating women. Furthermore, more women are unemployed than men, and women who are housewives seldom have conditions for having extensive contact with society. There are still many negative phenomena and social evils among women--old evils and those that have arisen since the liberation. In the party organizations, governmental administrations, and mass associations, the policies toward training, promoting, and using female cadres has still not received adequate attention. Those are limitations with which the party organization, the governmental administrations, and mass associations in the city cannot but be concerned.

VII

There are nearly 1.5 million religious adherents in the city who are members of all religions: Buddhism, Catholicism, Cao Daiism, Hoa Hao, Protestantism, etc. During more than 100 years of dependence on the colonialists and imperialists, the enemy continually sought ways to divide believers and nonbelievers, and to divide followers of the different religions to facilitate their rule.

During the past 10 years, although the ruling apparatus of the aggressors was smashed, the enemy have continued to plot and scheme to take advantage of the religions and divide the people in order to sabotage us in many ways.

However, the religious adherents are workers who also were oppressed and exploited, like the other workers, so they struggled shoulder-to-shoulder with the city's people for national independence, democracy, and the right to live during the resistance war years.

The enormous developments in our country since 30 April 1975 have enabled the religious adherents to have increasingly better understanding of the party's policy: there was no "blood bath," as the enemy had predicted; the policies of religious freedom and freedom not to believe in a religion of the party and state are very explicit, and in the city there occurred a transformation in the lives of people who had lost their country. Hired workers became citizens

of an independent Vietnam and the collective masters of society (although it must continue to be perfected), with no distinction being made between believers and nonbelievers.

Those actualities have gradually attracted the religious adherents in the city to the revolution. The great majority of the Christians, including the refugees, realize that they can advance to socialism along with the other categories of people.

Of course, our difficulties and missteps in many economic-social spheres during the initial phase, added to the fierce nature of the struggle between the two paths, and the enemy's psychological warfare, have at times made the situation more difficult. There arose a situation of agitation among some of the people which the enemy sought to exploit. But by means of the actual situation and persistence the city has gradually implemented the policy of national solidarity advocated by President Ho Chi Minh during the first days of his revolutionary activity. Therefore, the situation has progressed very clearly.

Now the people are not motivated by consciousness of religious denominations, but by patriotism. The spirit of national solidarity is manifested every day and every hour in the lives of both believers and nonbelievers in the city.

At present, 80 percent of the religious adherents are members of trade union or cooperative labor organizations, 50 percent are members of the youth federation, the Vanguard Teenagers Unit, or the Ho Chi Minh Children Unit, 50 percent are members of the Women's Association, 60 percent are members of the Collective Peasants Association, and nearly all of the older religious adherents are members of the Old People's Association.

There are 33 superior monks and 22 priests and monks in the Fatherland Front Committee and in the people's councils, from the municipal level down to the precinct and district levels, and many religious figures are National Assembly delegates. Many monks and other religious figures are represented in the Front and in the popularly elected organs at all levels. The religious officials have responded enthusiastically to the movement to support the nation's front lines, have contributed to the Tri An hydroelectric projects, have bought national construction bonds and bonds to build up the policy funds, and contributed tens of millions of dong. Most of the pagodas, retreats, monasteries, seminaries, etc., have created capabilities to produce a variety of small industry and handicrafts products the value of which amounts to hundreds of millions of dong per year in (fixed 1970 prices). Some small industry-handicrafts cooperatives operate on a rather large scale. Furthermore, the Buddhist pagodas and retreats have participated in the public health work and have opened acupuncture offices. In the socialist patriotic emulation movements, 23 have been elected "warriors of emulation," 42 have been "progressive workers" for 7 consecutive years, and 130 of the religious adherents have been progressive workers 3 consecutive years. In 1984, 260 Catholic priests and monks were acknowledged as "warriors of emulation" at the basic level. There have been good examples of religious adherents who are workers, teachers, doctors, and day-care center workers. In many outstanding cooperatives, production teams, and production collectives, most of the

members are Buddhists, Catholics, or adherents of other religions who have endeavored to improve themselves and have been appropriately rewarded by the central echelon and municipality.

In the process of upward advance by the religious adherents in the city, a matter of special significance is that the youths who belong to religious groups have promptly assimilated the new and have been present on all fronts of national construction and defense.

The patriotic organizations of the Buddhists and Catholics have achieved great merit in the enterprise of mobilizing religious people to stand shoulder-to-shoulder with the city's people during the past 10 years. The newspapers GIAC NGO, CONG GIAO, and DAN TOC have fulfilled their functions well.

However, the religious adherents are always vigilant toward the plots and schemes of the enemy, who are still taking advantage of religion to cause division and sabotage national solidarity. We must also pay all-out attention to the legitimate rights of the people of the religions, eliminate complexes, and bring an end to regional prejudice, in order to maintain and develop the results attained during the past 10 years in campaigning for solidarity and unity regarding the spirit and actions of the believers and nonbelievers in the city.

VIII

The Chinese in the city have a long history, which has been tied in with the formation of our nation over a period of 4 centuries, since Chinese resisting the oppression of the Manchu-Ching dynasty came here to live. Except for a very small number who became comprador capitalists, the great majority of the Chinese are workers with a tradition of opposing the enemy during the resistance wars.

Since the liberation, the Chinese, whose numbers in the city are rather large—more than 500,000—have benefited from the national conciliation policy and have participated in transforming, building, and defending the city.

During "overseas Chinese" affair in 1978, provoked by the Beijing reactionaries, some people vacillated and were confused. Now most of them clearly recognize the true face of the Chinese expansionist and hegemonist traitors, and have tied in their lives and futures with their city and regime, and contentedly work and produce in order to contribute to building the city.

During recent years, many Chinese have been among the outstanding workers in the city. In 1983, four Chinese were municipal-level Warriors of Emulation and 26 were Warriors of Emulation at the basic level. Especially, in small industry-handicrafts production the high over-all production value and rich product line are due in part to the contributions of skilled Chinese workers. The city schools for the children of workers do not distinguish between rich or poor, Chinese or Vietnamese, and the ethnic cultural activities and customs are respected. The revolutionary forces among the Chinese have developed continually, and hundreds of members of governmental administrations and mass associations at all levels are Chinese. The solidarity among

workers, no matter what their ethnic origin, in the city, has withstood the challenges during the tribulations of the past 10 years. That has surprised the enemy, for they thought they could accomplish something in the city.

At present, the Chinese are conducting their activities by means of the mass associations and are gradually catching up. The Chinese edition of the newspaper SAIGON GIAI PHONG has contributed positively to that progress.

Of course, we cannot relax our vigilance toward plots and schemes by the enemy to take advantage of the ethnic sentiment of the enemy. At the same time, we pay all-out attention to stabilizing the thought and lives of those who still have complexes. If the enemy were defeated in the past, it is certain that they will also be defeated in the future.

Since the liberation, understanding the inevitability of the transformation and reorganization of production in the city, they have rallied in the industrial-commercial liaison committee and have gradually formed 16 different sectors and trades, such as construction, textiles, printing, machinery, food products, etc., and have done a good job of carrying out the party's policies.

Having overcome the difficulties of the initial phase of the advance to socialism thanks to the correct transformation policy of the party and state, they have affirmed their place in the national community and play a considerable role in economic-social development in the city. Many have contributed their management and technical experience, and capital, to restoring and developing the city's economy and in fulfilling sister city obligations toward Phnom Penh. In recent years, along with the city's engineers and technicians they have contributed to creating many new products, many new materials for industrial production, and much equipment to serve the agricultural products processing industry, transportation industry, etc.

During the past 10 years their path to socialism has not been trouble-free and easy. Sometimes some cadres have incorrectly implemented the party's transformation policy, and a considerable number of people have given up along the way, but having experienced the major turning-points in the city, they have undergone many positive transformations.

X

The relationship between the city and the Vietnamese living abroad is very extensive and continuous, and has had revolutionary contents from the beginning of the century. Uncle Ho was the first person to open the way for that intimate relationship.

At the beginning of the century the Vietnamese community abroad totaled only a few more than 100 people. Now there are 1 million. They settled more than 40 different countries during the different historical phases for many different reasons. During the period of revolutionary proselytizing and the two resistance wars, the Vietnamese living abroad made great contributions to the common cause.

During the past 10 years, the city has received every year more than 1,000 overseas Vietnamese who returned to visit their country and their families. That number has increased every year. Ninety-five percent of the overseas Vietnamese who return to Vietnam pass through the city on their way to other places. In addition to providing convenient and economical living conditions for Vietnamese who return to Vietnam, the city has created conditions for the overseas Vietnamese to more clearly understand the nation's situation, and have provided facilities to improve the activities of overseas Vietnamese who are loyal to their homeland, such as cultural materials to educate their children, publications, music tapes, video tapes, films, cultural performances, etc.

The contributions by overseas Vietnamese to the city during the past 10 years have been very great. Many intellectuals and specialists have returned to exchange technical information, apply science and technology to production, and manage the economy in the sectors, especially the industrial, agricultural, medical examination, communications, computer, and other sectors. With regard to foreign trade, the overseas Vietnamese have set up commercial companies to introduce the city's exports to the world and import raw materials, parts, machinery, and pharmaceuticals for the city and the nation, contribute to the foreign exchange fund, and begin economic cooperation projects in many spheres.

At present the number of overseas Vietnamese returning to visit the fatherland is not large. The overseas Vietnamese living in the Western capitalist countries include people of different social origins. Those who have left since the liberation have done so for many different reasons. The revolution must sympathize with the specific circumstances of each person. The U.S. imperialists and Beijing reactionaries are always seeking ways to stir up the overseas Vietnamese. If they unite and rely on the nation's strength, they can effectively resist the enemy and contribute to the common victory of the fatherland.

Our nation's efforts among the overseas Vietnamese are very rich and varied. The city makes important contributions to those efforts. The potential of the overseas Vietnamese is very great but their needs are steadily increasing. With its position as one of the nation's international trade centers, our city increasingly realizes its responsibility of doing a better job of carrying out that important national task.

XI

In the city the Fatherland Front movement is made up of organizations which were formed during very different historical periods in our city.

The tradition of national solidarity in a united national front for national liberation during the resistance war period was continued in the new revolutionary phase, in which we are fulfilling two strategic missions: the development and defense of the socialist Vietnamese fatherland.

During the "impoverished" years of the nation, solidarity of all the people was a principal factor in creating strength for the city to overcome its

difficulties. The United Buddhist Congress and the Congress of Vietnamese Catholics for National Development and the Defense of Peace have won great victories on a national scale and have contributed to the city's front movement. The older people, with the slogan "the greater the age, the greater the will," have been attracted to many positive activities in the localities, which have served to inspire, encourage, and educate the young generation.

The movements of the component front organizations, along with the movements directly launched by the Fatherland Front Committee, such as the "For the front lines of the Fatherland" movement, the movement to contribute to building the Tri An hydroelectric project, the campaign to buy national construction bonds, the movement to aid areas affected by natural disasters, and the struggle for peace and against nuclear war, etc., and the sister relations with the front committees of Phnom Penh and Vientianne, have made progress and achieved results. Those victories are significant with regard to specific material contributions but, even more important, they clearly indicate that the party's national solidarity policy has truly become a great strength of all circles. The mode of consultative conferences among the component organizations of the Fatherland Front committees at all levels regarding matters of great importance to the localities, such as introducing candidates to the people's councils at all levels, caring for the lives of the people in the residential areas, and acting together in political movements on a city-wide scale indicate that persistence, patience, mutual understanding, reasonable and sympathetic internal struggle, and a sense of responsibility are factors in the success of the activities of the Fatherland Front committees at all levels in the city.

The city now has a system of front committees in 18 precincts and districts and 324 front committees in subprecincts and villages. By means of regular congresses there is a continuous supplementation of personnel and an improving of quality and work effectiveness.

The members of the component front organizations total 1.7 million. In actuality, front committee have become centers for effectively coordinating activities in the subprecincts, villages, precincts, and districts, have done a good job of serving the city's political missions, and have exercised, to one degree or another, the collective mastership right of the people in the mechanism of the party leading, the governmental managing, and the people serving as the masters.

We must also do much more in carrying out the front work in order to ensure unity among the people with regard to politics and morale in each residential area, and must further perfect the policies and pay more attention to social components which have not yet been fully brought into the process of managing and overseeing the economic-social management by the state governmental apparatus.

Mass proselytization, whether in the phase of the national democratic revolution or in the phase of the party holding political power, has a decisive significance. In a large city, such as Ho Chi Minh City, the mass proselytization work demonstrates even more clearly its extreme importance. Our accomplishments during the past 10 years in the mass revolutionary action

movement have been due to our experience in the revolutionary proselytization period and the two resistance wars. The cadres are close to the masses, grasp the characteristics of the city's economic-social situation and people, have gradually "narrowed the gaps of division," "eliminated complexes," fully exploited all capabilities to expand solidarity, motivated and organized the masses to strive to attain realistic goals in serving the mission of economic-cultural transformation and development, endure difficulties, and struggle victoriously against all plots and schemes of the enemy. That is a process of endeavoring to advance, achieve step-by-step transformations, and achieve depth in thought and sentiment, although not yet to a uniform degree, among the city's working people. It is necessary to note the great accomplishments of the city with regard to national reconciliation during the 10 years since the liberation. Even people who had been in the enemy administrative apparatus and army, after undergoing reeducation and having their citizenship restored, and refugees, who had previously been heavily prejudiced against the revolution, now live and work like the other workers, and some have become progressive workers.

However, once the party has gained political power, especially in a large city, we tend toward "administrationizing" the mass proselytizing work. All party members and cadres in the sectors should further strengthen their sense of responsibility and become deeply involved in the mass proselytizing work in the new situation, which is in some respects more complicated and difficult than during the resistance war period, but some places have carried out that task simplistically, have not fulfilled their responsibility of being bricks which connect the party with the masses, and have turned the mass work over to the comrades responsible for the mass associations and the Fatherland Front. The proletarian dictatorship system, with its diverse, complicated apparatus and the cadres and personnel of the sectors and echelons who are in daily and hourly contact with the people and deal with matters related to their needs and aspirations, has favorable conditions for mass proselytization. All attitudes of arrogance, and instances of negativism, on the part of the administrative, public security, army, economic, cultural, and other cadres and personnel, and insufficient knowledge of the city's people, a lack of love and responsibility, and even a lack of civility and subtlety in relations between people, can nullify the great and persistent efforts of the other revolutionary forces, and eliminate the social motivation of the broad masses, people who play a decisive role in victoriously carrying out the revolutionary undertaking of the party.

Building strong mass organizations at the basic level and finding appropriate forms for the city's workers to serve as the masters in economic-social activities are both goals and motivation of the great undertaking of socialist construction. At the same time, they are practical measures for building a strong party organization.

Chapter XII

Increasing the Combativeness of Communists and the Communist Youth Union Toward the New Missions

I

In the history of our nation during the past century, our city has been the focal point of one revolutionary struggle, which led to a great event: the complete victory of the Ho Chi Minh Campaign on 30 April 1975. The city's party organization has been at the center of the events which have taken place in this part of the fatherland. The city's party organization took form with the founding of the party in 1930. Under the direct guidance of the Central Committee and the Nam Ky Regional Party Committee, the party organization continually grew during the course of being forged and challenged in the mass movements and in the life-or-death fight against the enemy in the center of their ruling apparatus. The history of the party organization is directly related to the history of the city and the Vietnam Communist Party. Those are glorious pages of history of which we can be proud, pages on which there was spilled the blood of the city's communists and people, and comrades from all over the country who sacrificed their lives in this area, including leadership cadres of the Central Committee, the Regional Party Committee, the Municipal Party Committee, and many other loyal cadres and men of the party.

The fulfilling of the new strategic missions during the 10 years since the liberation has signified a very basic transformation on the part of the party organization, which changed over from leading the revolutionary war to a ruling party which exercises all-around economic-social management. It has also been a period in which the mission of building up the party was made an urgent concern for two reasons: first, the party is the decisive factor in all victories of the revolution; second, the new mission--that of managing a city that is a large industrial center--poses very demanding requirements for the party organization with regard to ability and moral quality, and demands maturity with regard to politics, thought, and organization, with quality and on a scale completely different from those of the past.

Over a period of 10 years building the party, the strengths and weaknesses of the party organization have been the following.

The number of party members has increased rather rapidly in comparison to the period of revolutionary proselytizing, when at times the party had only about 100 members. When it first assumed management of the city, the party organization had 4,500 members in 200 basic party units. The party organization now has 53,000 members, 12 times more than when the city had just been liberated. The number of basic party units has increased 20-fold. During the past 10 years more than 20,000 new party members have been admitted, 70 percent of whom were youths who had matured in the local movement and 83 percent of whom had Level-2 or better educations. The number of party members with college and post-graduate educations increased by more than 14 percent. The number of party members of worker origin accounted for 17

percent of the total, youths (under 30) accounted for more than 30 percent, women accounted for 24 percent, and retired party members accounted for 8 percent.

Party members are not distributed uniformly among the sectors: the central-level and municipal-level organs and enterprises, which have the highest ratios, account for 50 percent of all party members. The distribution-circulation sector accounts for 17 percent. In the subprecincts and villages, less than 1 percent of the population are party members, and in places only 2 out of every 1,000 people are party members, including retired cadres who are active in the subprecinct or village party chapters. In the industrial enterprises, the ratio of party members amounts to between 2 to 5 percent of the workers. The education, small industry-handicrafts cooperatives, marketing cooperatives, and agricultural cooperatives have the fewest party members.

Most of the party members--56 percent--have attended basic political theory classes. The Nguyen Van Cu Party School, which was founded during the resistance war and is now 20 years old, has trained tens of thousands of elementary and middle-level cadres, including basic-level cadres, cadres outside the party, and outstanding workers, to supplement the sectors and echelons. More than 40 percent have not yet attended theory classes. The ratio of those who have not yet studied economic management theory is even greater.

During the 1979-1982 campaign to issue party membership cards, 95 percent of the party members were recognized as being fully qualified. In the course of the basic-level evaluations, 40 percent of the party members attained the outstanding standard and had a strong effect in the mass movements.

The number of basic units attaining the pure and strong standards has increased every year and in 1982 was 2.5 times greater than in 1980. Thirty percent of the subprecinct bases met the pure and strong standards. About 20 percent of the basic units were weak. Recently no basic party unit has been evaluated as being weak.

During the past 10 years, 5 percent of the party members and cadres have violated party discipline or state discipline.

On the basis of the actualities during the 10 years in which the party has been in power and has directly led and managed the economy and society, the city's party organization has learned the following lessons:

First, with regard to politics and ideology it has been ensured that the party organization is always strong with regard to politics, ideology, and organization, and that is its foremost struggle goal. The party organization, which at first had few members and was supplemented from many different sources, now has many more members than in the past. Although most did not mature in the local movements and do not know much about the city, during the past 10 years the party organization has attained a high level of solidarity and unity, and has carried on the historical tradition of the party organization, which has always been the decisive factor in all victories. The

basis of that solidarity and unity is communism, revolutionary will and enthusiasm, and the lines and policies of the party, which have permeated all echelons and sectors. It has been an educational process by the party to heighten consciousness and sentiment with regard to the viewpoints and stands of the working class, the contents and nature of the socialist revolution, and the position and responsibility of the city, which is a regional industrial center. During the recent period, although solidarity and unity have not been uniform among all basic party units, they have been a factor in ensuring absolute leadership by the party in all spheres.

Furthermore, the party organization at first had no experience in economic-social management, but had a tradition of stressing actual practice and grew up in an industrial environment, so it is dynamic and creative, has a practical orientation, has been guided by the lines of the party in fulfilling the new strategic missions, promptly analyzed the actual situation, both the successes and lack of success, and grasped and developed the new factors of a law-like nature which appeared at the basic level, where the creativity of the working masses is concentrated. The party organization has confirmed the city's "industrial center" characteristic, and concentrated on that key "link" to achieve all-around development and resolve problems so that the economy can "take off," by means of transitional economic forms which harmoniously balance the economic interests of the workers with those of the collective and society, for economic interests are manifestations of socialist economic relations and relations between people, which are the primary motive forces of society. Their true nature is that of the political-economic contents of the period of transition to socialism in accordance with the principles of Lenin. Clearly, once there are correct lines the decisive matter is concretizing those lines by means of the economic mechanism and by means of specific, concrete forms to create productivity, quality and production effectiveness, and to create the new socialist man.

Determining and grasping the goals of revolutionary phase, finding specific measures to attain those goals on the basis of the characteristics of an industrial center city in an organic relationship with the nation and the region, and equipping the cadre with knowledge of theory and lines by means of the actuality of the three revolutions, which are carried out simultaneously in the city, are matters related to the political, ideological, and organizational maturity of the city's party organization, which were accumulated in the course of the revolutionary action movement of the masses.

Of course, in the course of that maturation distortions and deficiencies were unavoidable. At times the political-ideological work of the party organization did not provide timely teaching of ideals, heat up revolutionary enthusiasm, and prevent the fading of ideals and the weakening of the fighting will of some comrades in the face of the new challengers, which has enabled a considerable number of people to degenerate morally and fall victim to individualism, localism, particularism, unorganized liberalism, etc., at times and in places, which caused harm. A considerable number of party members and cadres, even some in high positions, have fallen victim to bureaucratism and have seriously violated the mastership right of the laboring masses and socialist property. Although many efforts have been made to ensure that the contents of the educational program for party members adhere closely to the

actual situation in the city, in general we still tend toward generalities. Although the party organization's traditions have been researched to some extent, its history has not yet been introduced in a truly scientific manner. Especially, we are not yet capable of isolating lively experiences to equip ourselves with experience for modern combat.

Second, with regard to organization and party members. The large number of party members--although never sufficient--deployed in all units of the city's vast economic-social apparatus, guarantee the party's leadership. Our party organization, a party organization in a city that is an industrial center, has been especially concerned with cultivating party members of working class origin, the percentage of which has increased 15 times since the liberation but still falls far short of the requirement. The percentage of party members who are engaged directly in production is even smaller. That is a weakness of the party organization. The main reason for the tardiness in changing the structure of party members is that some cadres and party members in the city still have improper viewpoints toward evaluating the city's workers, do not base themselves on class standpoints, do not fully understand the historical conditions of the city, do not fully grasp the central missions of an industrial city, and are heavily oriented toward reviewing political backgrounds in the old way. Even worse, in some places the party organizations "close the gate and pull up the draw-bridge," and are afraid to admit active people who might "rock the boat," i.e. they fear internal struggle. In some places young, dynamic, high-quality, well-educated party members are prejudiced. Although the ratios of youths, scientific-technical cadres, and female party members have increased in comparison to the resistance war period, we cannot be satisfied with those levels (youths account for one-third of the total, women account for one-fourth of the total, and the ratio of scientific-technical cadres is much smaller). In the subprecincts and villages, the ratio of active party members is still very low because most of the retired party members are active in the basic-level party chapters. It is necessary to study the forms of basic-level party organization so that they can be appropriate, listen closely to the opinions of older comrades and use them in tasks within their sphere of competence, while also ensuring the role of new, young party members. In the enterprises and organs, the number of party members is large but the role of the party organization in comparison to that of the director is in some respects imbalanced. We must continue to perfect relations among the party, and the mass associations in the city to ensure the collective mastership mechanism at the basic level.

Third, the deployment of party members in the sectors reflects the central political missions. Once the central missions in the new situation are economic missions, most of the party members and the most loyal cadres must be assigned to the economic sphere. In fact, the structure of deployment of party members in the city does not yet manifest that tendency. There are still many economic units which have no party members, especially warehouses, stores, and in the accounting and cashier phases, in which much state money, goods, and property are concentrated. That is not to mention many party members assigned to the economic units who are still heavily influenced by the bureaucratic-subsidizing administrative management mechanism and purely

"specialized professional" viewpoints. Thus the deficiencies of party members in the economic sphere are very worthy of concern.

The correct assignment of key cadres is a decisive factor, but during the recent period there has existed a patch-work situation because of a shortage of cadres. Especially, the party organizations have not yet correctly evaluated the abilities of cadres or paid attention to promoting cadres who matured in the city's movements.

Fourth, the training of cadres. The party organization has been concerned with correcting the weakness of party members with regard to economic-political knowledge when the revolution changed phases. In addition to cadres who have studied in the party schools at all levels, the party organization has paid attention to training cadres in the mass revolutionary activity movements, improving analysis of the specific situation, creating and recapitulating advanced models, and combining practice with theory and actual experience with the results of research. However, it must be admitted that not many cadres and party members have been trained in schools, especially in economic management. Although the cadre training curricula and instructors of the party schools in the city have been improved they still fall far short of fulfilling the dynamic requirements of an industrial city. Although all-out efforts in theoretical education and the recapitulation of experiences, at times they amount more to using actual experience to prove text-book theory more than discovering new things by studying actual experience. It is necessary to resolve the contradictions which have impeded progress to socialism. At times our methods of thinking has tended to be more academic formalism than dialectical logic. Furthermore, although attention has been paid to cadre planning and to training successor cadres, progress is still too slow.

Fifth, under the conditions of the party holding power, the party's leadership must be concentrated on improving the effectiveness of the proletarian dictatorship system. Strengthening the mechanism of the party leading, the governmental administration managing, and the people serving as the masters is a concern of the party organization. Party members must serve as the hard core and, by means of their moral quality and ability, ensure that the governmental system organized the implementation of the lines and policies of the party. As discussed above, the city's governmental administration must manifest the scientific and revolutionary nature of the party and remain close to the masses. The city has boldly carried out a division of labor and decentralization so that the basic level can implement the mechanism of collective mastership, bring into play the roles and functions of the popularly elected organs and the mass associations, implement socialist democracy, and show concern for all aspects of the lives of the masses.

However, although many efforts have been made along those lines of the city's governmental administration still has the major deficiencies of being cumbersome, clumsy, and ineffective, which affect the implementation of the party's lines.

Sixth, regarding leadership and guidance style. The party leads by means of its lines and policies, but also by overseeing their implementation. From the

municipal party committee down to the local party committees many resolutions have been issued which have concretized the policies of the Central Committee so that they are appropriate to the situation in the city. Recently oversight at the basic level has been very good and has ensured that the party chapters hold regular meetings of improved quality. The basic party organizations, by means of the political-ideological work, examination of the qualifications of party members, and maintaining discipline, have made progress in preventing party members from adopting improper means of livelihood and ways of life. However, that does not mean that there are no longer any distortions in economic management, internal suppression, covering up for negative phenomena, and regarding the political-ideological work lightly because of preoccupation with urgently fulfilling plan norms, etc. There have even been a considerable number of instances in which the party chapters have lacked a sense of responsibility and have allowed serious violations to occur, some of them by people in authority. More than anywhere else, oversight of the implementation of party resolutions in the city demands strictness in order to stop aberrations with regard to principles, regrettable "casualties" caused by "sugar-coated bullets," the defense of the party, and the uncovering and stopping of opportunist elements and traitors, who sneak into the party. Those are very important tasks in order to maintain purity in the party and the confidence of the masses.

Seventh, a matter of life-or-death with regard to the party is that it must be close to the masses. During the period of revolutionary proselytization, closeness to the masses created the strength with which we defeated the enemy. Under the conditions of economic construction, to be close to the masses, serve the masses, be concerned with the interests of the masses, and on that basis have an extensive and strong mass movement, is to manifest the party's revolutionary nature and combativeness. The tendency toward bureaucratization, in both life and work, has corrupted many cadres, but even more harmful, it has caused the party to become remote from the masses and not be sensitive toward things about which the masses are sensitive, so that people are cool toward the hot problems posed by life. The situation of prolonged inertia on the part of the party, the governmental administration, and the mass associations, and the tendency toward bureaucratizing the work of the revolution, are dangers toward which the party organization of an industrial city and the party of the working class must be extremely vigilant because the harm they do is extremely great.

II

The Ho Chi Minh Communist Youth Union in the city, regarded as the organization of young communists, during the anti-French and anti-U.S. resistance wars was the hard-core assault force in the revolutionary movements and the reserve unit of the party. At present, the municipal Communist Youth Union chapter is developing to a higher degree its role in rallying and educating the city's youths, launching youth and production labor movements, fighting to defend the fatherland, and studying. During the past 10 years the Youth Union has supplied many outstanding Youth Union members, and many cadres who matured in the movements, to the party and the governmental administration at all levels.

The municipal communist youth union chapter has matured both quantitatively and qualitatively. Before the liberation, it had only 550 members, but in 1976 it had 26,000 members. That number is 5.5 times greater than in 1976--180,000. Many former Youth Union cadres now hold key positions in the party organizations and in the governmental sectors, the army, the economy, the administrative-professional sectors, and the mass associations.

The Youth Union emphasizes teaching ideals, tradition, and politics to its members. Ten years after the liberation, the Youth Union work has carried its initial promise: "Believe in us." In their activities and work, the Youth Union organizations from the municipal level down to the basic level are, in general, lively and rich in innovation, and have begun to be concerned with actual effect. The youth cultural centers of the city and the precincts contribute importantly to motivating and educating Youth Union members and youths. The newspaper TUOI TRE, the organ of youths, is a lively newspaper that plays a significant role in guiding youths in the Youth Union work and on the press front in general.

However, the municipal Ho Chi Minh Communist Youth Union must make greater efforts in the following three areas:

1. By means of education, and especially by means of the exemplary moral quality, ability, and new way of life of the Youth Union members, it must cultivate communist ideals, increase the revolutionary vigor and will be more concerned with backward youths, bring most of the youths into youth assault movements in the three revolutions and in defending the fatherland, limiting negativism and undisciplined living on the part of some youths, and build a new way of life with love, responsibility, and obligation toward others. In addition to its regular activities, the Youth Union must be more concerned with strengthening its press, publishing, radio broadcasting, TV broadcasting, culture-art, physical education and sports, scientific-technical clubs, management clubs, and other tasks, all-out efforts to enable the city's youths to scale the peaks of the city's economic, cultural, and social activities, and more actively support the party organization.

2. The Communist Youth Union, to which the party has assigned primary responsibility for guiding youths, must take the initiative in improving the three educational environments and create a succeeding generation that is worthy of a city that is an industrial center and has an industrial work style beginning in childhood. Especially, the Youth Union must stress preventing teenagers from coming down with the diseases of formalism, credit-seeking, pretentiousness, "becoming old before one's time," liking empty slogans, etc.

3. Knowledge is a strength of youths. Lenin's teaching to all generations--"study, study more, study all the time"--has a special significance for youths, especially the movement to advance strongly into science and technology to be worthy of a city that is an industrial, cultural, and scientific-technical center.

Increasing the combativeness of the party organization and its support force--the Communist Youth Union--is an important factor in leading the city's people to socialism. As Resolution 01 of the Political Bureau instructed the city

that the party organization can be strong only by such persistent measures as building the party politically, ideologically, and organizationally, developing and training the corps of key cadres, and launching mass movements on the basis of the having a life-or-death relationship with the masses. The standards for evaluating a party organization ruling in a city that is an industrial center have political sensitivity, the level of thought regarding economic and social management, skill in seeking out and firmly grasping the "key links in the chain," and especially economic-social management ability in a city, for the victory of socialism.

Chapter XIII

Relations With The Capital and Other Localities

I

Historically, Hanoi and Saigon had their inseparable relationship of being two cities which occupied central positions in Indochina during the period of French dependency. That long-standing relationship was developed qualitatively when Hanoi became the nation's capital and liberated Saigon was given the name of Uncle Ho.

During the August Revolution and the anti-French resistance war, Hanoi exemplified the national will. No one can forget 2 September 1945, when the people of Saigon and Nam Bo took to the streets in support of Hanoi, where Uncle Ho read the Declaration of Independence, which moved millions of people and exemplified the militant spirit of the people of the entire nation: "Vietnam has the right to enjoy freedom and independence, and has truly become an independent and free nation. All Vietnamese are determined to devote all their spirit, forces, lives, and wealth to defend that freedom and independence."

During the anti-U.S. resistance war the South looked to the leadership of the Party Central Committee and to Uncle Ho with trust and hope. That trust was a factor which enabled the people of the South to overcome all difficulties and hardships and, along with the entire nation, win victory. "All for the fraternal South" was the action slogan of the people of the North and of the capital. "Hanoi calls, Saigon answers" was the combat order of the soldiers and people of the city during the years in which the United States was bombing the North and Hanoi. If "The South was always in the heart" of the people of the North and the capital, the people of Saigon were also very sensitive to anything affecting the capital, the heart of the nation. Every event, large or small, that occurred in the capital during that time became a model for the South. It is not surprising that the people in the South will always remember the line of poetry, "From the time we took up swords to found the nation, for a thousand years we have fondly remembered Thang Long," for Hanoi--Thang Long, Dong Do, Me Linh, Co Loa--was the cradle of a nation with a history of 4,000 years of building and defending the nation. All Vietnamese everywhere think of their place of origin with limitless pride.

In the resistance war against the United States, Hanoi and the North shared everything with the South, which enabled us to win the victory of 30 April. The people of the South and of the city who were regrouped in the North were assisted and supported by the people of the North, and nearly all of them matured, returned to the South to fight, and during the past 10 years have helped make up for the shortage of cadres in the city. Hanoi was also a front line in the very fierce air war waged by the United States. All of those sacrifices for the liberation of the South and our city could not but affect the present economic development and improvement of living conditions in Hanoi, for which we are profoundly grateful. Furthermore, we all understand

that Hanoi, which was built up to a certain degree by the French colonialists, is situated in an area in which commodity production has not been developed, in which the weather conditions are very severe, and which is contiguous to the border area, which is continually harassed by the enemy.

The close relations between Saigon and Hanoi in history are representative of the united will and sentiment of the entire nation.

After the South was liberated and the nation was unified, Saigon became Ho Chi Minh City, which, like Hanoi, is a national economic, cultural, scientific-technical, and international trade center. Although Ho Chi Minh City is 20 years behind the capital in socialist transformation and socialist construction, the socialist revolution undertakings in each city affects the whole, and the accomplishments and missteps regarding production, distribution and circulation, living conditions, cultural activities, security and national defense, social order and safety, etc., affect many areas of the nation and all cities. They are of a legal nature and have the political-economic contents of the period of transition to socialism and of a city that is an industrial center. They are factors which determine the process of national industrialization under all conditions. Therefore, in addition to relations with historical depth and fraternal sentiment between the two regions and the two cities, there are also objective requirements of the law of economic-social development of a large city in a nation advancing to socialism from small-scale production.

During 10 years of strengthening the brotherhood among the three large cities under the guidance of the central echelon, Hanoi, Ho Chi Minh City, and Hai Phong have organized emulation to encourage, inspire, and support one another, outstandingly fulfill the state plan norms, promote the revolutionary activity of the masses, and advance to build a socialist city in a manner appropriate to the characteristics of the locality. That manifests the objective requirements of the nation with regard to all three cities.

The relationship between Hanoi and Ho Chi Minh City is manifested in all aspects. With regard to economics, science, and technology, both are industrial and scientific-technical centers and major national and regional transportation centers, and international trade centers. The relationship between them is expanding, from the exchange of specific products to cooperation in producing new industrial goods to serve agriculture in the region and nationally, scientific-technical cooperation and cooperation in researching development topics and programs. With regard to communications and transportation, each city is an important reshipment center because of its central location. In the situation of north-south transportation still being difficult, cooperation in studying the development of transportation in the joint operations forms, from the manufacture and building of new facilities to capabilities to form joint transportation corporations between the two cities, without hesitation, is an innovation that is appropriate to the situation.

With regard to exporting and importing, the two sides cooperate with regard to sources of goods, products, and the international market, depending on the capabilities of each city.

With regard to culture, art, physical education and sports, and domestic tourism, delegations make friendship visits at the precinct, district, and mass association levels. They are aspects with the greatest significance and further strengthen the brotherhood between the city and the capital.

Today, a time when there is no longer any impediments to close cooperation between the two cities, the contents of their cooperation are becoming increasingly specific and effective, and are included in the short-range and long-range plans of each city, in order to achieve all-around economic-social development.

Of course, because of the objective natural conditions and the economic-conditions of each city and the economic-social characteristics of their formation in the nation's historical development, we cannot simplistically make the same demands of each locality, or that everything must be the same, according to a subjective desire. Among the contents and scale of solidarity and cooperation between the two cities, there is a sharing of the missions of developing and defending the fatherland and the need to supplement each other's strengths and weaknesses to develop each other's material and spiritual potential to the greatest degree. But the core is the revolutionary sentiment and sense of responsibility of the party organizations and people toward each other, above all the sense of responsibility of Ho Chi Minh City toward the nation's capital. At the same time, that is a responsibility the nation has assigned to each city because of their position and influence vis-a-vis the nation as a whole.

II

Saigon has long had relations with the other localities in the region, not only because it took form in the process of economic-cultural development of the region but also because in the period of revolutionary proselytization and the two resistance wars there were close political and military ties, especially during the 1936-1939 democratic movement, during the 1940 Nam Ky uprising, and in the coordination among battlefields during the two anti-imperialist resistance wars. The struggle movements of the city's people were assisted by all the other localities, from Minh Hai and Hau Giang to Tien Giang, Ben Tre, Dong Thap, Dong Nai, Tay Ninh, Song Be, Hue, Da Lat, Quang Nam-Da Nang, Nha Trang, etc. During the two resistance wars the municipal party committee was at one time or other based in practically all of the Nam Bo provinces, and the people went all-out in protecting, caring for and assisting it. Countless soldiers and people sacrificed their lives in that cooperation between the battlefields and the city. During the 1968 Tet campaign Hue had a sister city relationship with Saigon. Those two cities suffered the greatest losses and were subjected to the cruelest U.S.-puppet counterattacks. Hue and Saigon were the two most important cities in the South that time.

During the 10 years since the liberation new contents have been developed in relations between the city and the provinces. The other provinces provided all-out assistance to the city during the first days after the liberation, with regard to both cadres and grain. During the "perilous" 1979-1980 period, in addition to material assistance, the provinces also participated

positively, along with the city, in overcoming the restrictions of the old economic management mechanism and opening the way for the development of the city and the region. For example, Vung Tau-Con Dao, by means of the management model of a state fishing enterprise, provided experiences to help the city overcome its problems. In recent years, cooperation between the city and the provinces developed comprehensively, in the domestic trade, foreign trade, industrial-agricultural production, cultural, and social spheres. That cooperation has been expanded to the precincts, districts, cities, municipalities directly under provinces, etc.

Resolution 01 of the Political Bureau determined the roles and responsibilities of the city and the region, an area which is rich with regard to agriculture, forestry, fishing, and minerals. The relationship between the city and the provinces must have the goals of quickly forming an industrial-agricultural structure on a regional scale and advancing the nation from small-scale production to large-scale, modern socialist production. It is necessary to bring into play the strengths of a city that is an industrial center, a national transportation center, and an international trade center, as well as the strengths of the provinces with regard to agricultural, forestry, and fishing raw materials, and enable the entire region to advance at a rapid rate. That is a common responsibility of the city and the provinces. If that is to be accomplished, the city and the provinces must bring into play their life-or-death relationship of the resistance war periods and the experiences of the past 10 years, work effectively, have a sense of responsibility, and have the broad outlook of being concerned with the benefit of the region as a whole.

Part IV

Lessons of the Ten Years--Prospects

Ten years are too brief a time in the life of a city. The city is young. It was only 123 years ago--in 1862--that the French colonialists laid the foundations of the modern Saigon. Thus 10 years amount to only one-twelfth of the city's life. If the history of a nation or a region is in fact the history of economic development, in 10 years Ho Chi Minh City could not do anything as earth-shaking as the "a Dien Bien Phu in 9 years" during the anti-French resistance war, or a Simultaneous Uprising after 6 years of the anti-U.S. resistance war, for economic construction differs from other forms of struggle in that it must pass through a certain period of accumulating material means and management experience. A great leap forward in economic development is entirely different from one in political struggle.

Ho Chi Minh City is an organic part of Vietnam as a whole. Its past is also the past of the nation--the people who came to settle at Ben Nghe were from the banks of the Hong, Lam, and Han rivers. The revolutionary past of the city is also the past of the nation's struggle, and the accomplishment of 30 April 1975 was due to the efforts of the people of the entire nation during many years of arduous sacrifice in the history and in the other areas, with the main goal of liberating the city--a milestone which marked complete victory for the nation. Therefore, the course of the 10 years of building socialism in the city cannot be separated from the common background of the city as a whole, although to a certain extent the effect of a part, under certain conditions, is not unimportant with regard to the whole.

Everyone knows that during the past 10 years our country has not been able to live completely at peace. Immediately, after we chased away the Americans and overthrew the puppets, the Pol Pot gang, obeying the orders of Beijing, occupied islands in our territory in the Gulf of Thailand. Before that Beijing, taking advantage of our victory in the anti-U.S. resistance war for national salvation, occupied the Paracel Islands and a number of other islands under Vietnamese sovereignty in the South China Sea. Then came the "overseas Chinese" affair and the wars on the southwestern and northern borders. China is continuing to wage war on the northern border and to support the Pol Pot-Son San gang in disturbing the security of Cambodia. Furthermore, China allied with the U.S. imperialists and a number of other countries, most directly Thailand, in surrounding and continually harassing the Indochinese countries. The espionage and treason trial conducted by our country's Supreme Court in Ho Chi Minh City in December 1984 was one of the proofs of the cruel, insidious plots of the enemy to sabotage us in many ways. All of those things show that throughout the past 10 years our country has not been able to live in peace. Ten years after regaining its sovereignty, our country still must set aside a considerable part of its budget to meet national defense needs, for it is absolutely necessary to maintain our national independence and freedom. We are forced to maintain such a national budget at a time when our economy and society, in both north and south, demand the

resolution of a whole series of problems posed by an economy characterized by small-scale production and backwardness, and a weak industrial base, at a time when there are urgent missions of industrialization, advancement to large-scale socialist production, and the improvement of the people's living conditions in all regards. In brief, there is need for the investment of capital in development.

During the past 10 years there have occurred continuous natural disasters in all three regions, which did especially serious damage between 1978 and 1984. Also during that time, our country's population increased by more than 10 million. The management mechanism is, in one sense, an objective inheritance, the inertia of which both manifests the level of production in our country and the degree to which we have mastered the economic laws of man, and reflects the actual difficulties of a focal point with many contradictory elements.

However, the advantages of the over-all situation are also very clear: during the past 10 years we have maintained our independence and sovereignty; the socialist state has been increasingly consolidated; our soldiers and people have won a glorious victory on the southwestern border and helped our Cambodian friends defeat the genocidal Pol Pot gang; the war of aggression waged by 600,000 Chinese troops along the northern border has been smashed and we are continuing to punish them; our country's living conditions are gradually stabilizing; and we have invested in the construction of a number of decisive projects, such as the Song Da, Pha Lai, and Tri An hydroelectric projects, the Hoang Thach and Bim Son cement projects, the Vung Tau-Con Dao oil and gas project, and the Dau Tieng reservoir, the expansion of the areas devoted to growing such valuable industrial crops as rubber, pineapples, coffee, sugarcane, etc. Although the number of such projects is not yet large, we are determined to complete them to change the status of our country's material-technical bases.

The fraternal cooperation between our country and our socialist neighbors Laos and Cambodia, the all-around cooperation between our country and the Soviet Union and the other CEMA countries, and the ever-expanding cooperation between our country and other countries and international organs, are important elements in helping us overcome difficulties and smash the scheme of China and the United States to surround us.

The transformation of agriculture and commerce has gradually been brought into orbit and combined with dismantling the economic-social management mechanism by contracting agricultural output, improving industrial management, etc., the results of which can be seen by everyone, to create the premise for accelerating the rate of that dismantling, with the goal of completely eliminating bureaucratic-subsidizing management and shifting over completely to socialist economic accounting, i.e. creating the premise and strength for promoting production, improving living conditions, and accumulating capital for industrialization.

With regard to Ho Chi Minh City, Political Resolution 01 in 1982 and the appropriate guidance opinions of the General Secretary and the Party Central Committee, which were a recapitulation of the city's basic characteristics and clearly delineated the direction and slogan for developing the city, have

helped the city believe in itself while searching for the right way out of its problems and make increasingly greater contributions to building and defending the nation. The resolutions of the congresses of the municipal party organizations since the liberation have manifested the assimilation of the guiding thoughts of the Central Committee and their application to the specific situation.

The victories of the city during 10 years of struggle have clearly reflected political stability, even at a time when the nation and the city were encountering serious difficulties. The enemy waited for something to happen just after the city was liberated, for the remnant troops to defend the city "to the death" so that the city would be left in ruins; or hoped that there would be "resistance" by the city's people to the "red menace" (they had spent many years depicting communists as having fangs and talons; that the "Viet Cong" would regard everyone in the city as "puppets" and seek cruel vengeance, if not by means of a "blood bath" then in the style of Pol Pot, who chased everyone out of the cities; that their military and political forces still hiding out in and around the city would carry out armed attacks, cause explosions, or incite demonstrations and strikes; or that there would be reaction by the religious groups by some of their leaders who had been notorious anti-communists. The enemy did more than wait. They drafted plans and organized. However, except for the Vinh Son affair, the murder of the signer Thanh Nga, and a few other incidents, political security has been maintained in the city. In fact, the enemy are still feverishly plotting to sabotage us, but their status was weakened and hundreds of plots have been broken up in our country.

At times the enemy have gloated: they have attacked us from both within and without our country, attacked us politically, economically, and militarily, used spies, hooligans, and degenerate elements within the ranks of the revolution, and waited for opportunities to be created by natural disasters or difficult living conditions to strike a decisive blow against our regime. They have placed their greatest hopes in our city. But they were rapidly disappointed.

The city's victories during the past 10 years have signified that by means of our accomplishments in restoring and developing the economy, healing the old wounds, and gradually raising the city to the ranks of localities which have contributed in many respects to the common progress of the nation as a whole, with regard not only to production and life but also to culture, science and technology, and economic-social management experience.

The city's victories during the past 10 years have been victories of the process of transforming and developing people, clearly distinguishing between what is correct and what is incorrect with regard to thinking and life style, adopting a new viewpoint toward labor, redefining the basic values in interpersonal relationships, and placing on a new basis the relationship among the interests of individuals, collectives, and society in community life. After many years, the concepts of nation, the fatherland, the people, etc., took on new connotations and the masses were equipped with consciousness of mastering their own destiny and that of the nation. That is also a decisive

premise for the struggle to determine "who defeats whom" at present and in the future.

Those were the most significant and important victories during our 10 years of construction, victories which exemplify the value of the city's liberation. They further emphasize the resolute revolutionary nature and political consciousness of the city's working class and laboring people, who, although not satisfied, or even dissatisfied, with one specific aspect of daily life or another, understand that our regime is one of, and for, the working people, one which clearly distinguishes between friend and foe. That proves the correctness of our party's evaluation of the city's masses and its national conciliation policy.

Although we had no prior experience in managing a large industrial city, during the past 10 years we have simultaneously studied, groped, and experimented. Therefore, the victories we have won have also demonstrated the ability to master and transform the situation of the city's party organization, mass associations, and patriotic front.

The city's victories, and those of the nation, in fulfilling the two strategic missions of building and defending the socialist fatherland during the past 10 years have been extremely great. The actual situation has affirmed that. During those 10 years we have worthily added to the glorious path of Saigon--a city which has introduced itself throughout its history as a focal point of revolution and has always strived for the best.

I

The Ho Chi Minh City of today was built over a period of more than 100 years, in many different stages. That is not to mention the fact that the modern city is a continuation of the formation of the Ben Nghe center centuries in the past.

It is evident that our city was founded and developed in accordance with the requirements of old-style colonialism and neocolonialism, and was influenced by the developmental laws of capitalism. Above all, the city had to fulfill its functions of being administrative and military control centers. With regard to economics, for hundreds of years the city has been a transportation center for localities throughout the region, between the region and the rest of the nation, and between the region and nation and foreign countries.

While under their influence of U.S. neocolonialism and of the war, the city's character changed, beginning with the Geneva Agreement of 1954. A large number of industrial installations were constructed. Of course, the spontaneous development of capitalism more and more reflected the needs of the political-economic strategy of the U.S. imperialists. Nearly all of the city's material-technical bases built between the 1950's and the 1970's profited from the industrial advances of the developed capitalist countries with regard to equipment, technology, industrial processes, and the management mechanism. Along with the Bien Hoa industrial zone, by the time the revolution succeeded the city's industry has strong production capabilities in a number of sectors, especially processing industry and light industry. The

basic weaknesses of the city's industry are that it does not yet have a developed machinery industry, has not created sectors to manufacture machinery, machine tools, and precision instruments, and in general does not have heavy industry.

Thus the actual objective situation of the city poses for us the mission of rationally developing its industry against the general background of the nation in the first phase of the period of transition in a specific region. At the same time, it is necessary to take into consideration supplementing and strengthening the city's industry to develop to the maximum the strengths of a city that has always had many conditions for becoming an industrial and service base for the region and the nation. In emphasizing the role of industry in the city, we only evaluate that industrial capability in the nation's current industrial situation, and certainly do not have the intention of regarding the city's industrial level as being high or its structure as being complete. Ho Chi Minh City is still inferior to Hanoi and a number of northern provinces with regard to machinery industry.

Although there are still many limitations, by gradually reorganizing production the city has established itself as one of the nation's major industrial centers. In comparison to 1976, the city's industry increased fourfold by 1984. That increase was due primarily to the readjustment of the production line, the improvement of the management mechanism, the improvement of the workers, living standards, and combining production with commerce. There has been little new construction.

At a time when our state lacks capital, the full, rational exploitation of the industrial potential of Ho Chi Minh City is a foremost economic mission. That is the best way to meet the need for agricultural production equipment and implements, increase the value of agricultural products, stimulate agriculture, and produce many industrial goods to exchange with the peasants, improve living conditions, export, and contribute to capital accumulation by the state. Our path of socialist industrialization begins in part with improving the old industrial base, which Stalin called "special sources of accumulation" and "accumulating budget capital from light industry and agriculture." (Stalin, *Collected Works*, Su That Publishing House, 1965, vol 13, p 83). Of course, that development of the industrial system must be accomplished by means of transformation, because the city's industrial system must be accomplished by means of transformation, because the city's industrial system took form and operated in the past in accordance with goals which were completely different from the goals of socialism. The problem here is how to carry out transformation to fully exploit all production capabilities. We have gained much experience during the past 10 years. One of the all-encompassing experiences is that at times we have not accurately evaluated the city's industrial capability. In Ho Chi Minh City, because of the historical conditions, there took form a capitalist economic structure that operated for decades. That has only strengthened our advantageous objective conditions. As Lenin said, "We know that nothing falls down from heaven. We know that communism was born from capitalism, and that only by using the things left behind by capitalism can we build communism. Those things that are left behind may be truly ugly, but there is nothing else." (Lenin, *Collected Works*, Vietnamese-language edition, Tien Bo Publishing House, Moscow, vol

40, p 250). Socialist transformation is the transformation of ownership relations which in fact is not very difficult for our proletarian dictatorship to carry out. But we have made many mistakes in carrying out that transformation: we should have replaced the capitalist commercial mechanism with a socialist commercial mechanism, but instead exercised economic management by means of a bureaucratic-subsidy administrative mechanism, and eliminated even the rational elements of the existing management style, which was the result of management science, and even intervened in the industrial process, fragmented the industrial installations, formed many separate entities, and prevented an industrial base that had been complete from operating without interruption. We were not people who knew how to "use the things left behind by capitalism to build communism." (Lenin, op. cit.).

The reason why the city's economic role in history has been outstanding is because of the relationship of the city and the region being an integrated whole. In the past the city of Saigon was the center of the entire South, and the city's industry was built up with that large area in mind. At one time we regarded the city as being only a locality. Due to that limitation, the designed capacity of the city's industry was not fully utilized, which led to serious waste because the other localities imported equipment and built factories at a time when the city had excess capacity. That irrational situation arose from regarding an economy that had a division of labor from a self-sufficiency point of view.

Whether as an ordinary city or a center, the economic alliances between the city and the localities all over the nation in a status of natural development of any nation that wants to make maximum use of the potential of the entire nation and create mutual assistance among the units in the region. That is a mode for developing the economy in a spirit of industrialization and by opposing the self-sufficiency concept, impeding the flow of commerce, fragmenting the region, etc. In recent years, the city and the provinces have begun to follow that correct direction, which was set by the resolution of the 6th Plenum of the Party Central Committee (fifth term).

The Party Central Committee has many times stressed the leading role of exporting and importing, for by importing and exporting we can resolve difficulties regarding raw materials and materials, create initial accumulation, and encourage domestic production. With its advantages--the ability to compete on the world market with regard to some products which have been popular for a long time, the ability to produce new products that meet international tastes and have many customers, specialists who have long been familiar with capitalist markets, a rather large number of Vietnamese living abroad who are former Saigon residents, timely communications with international markets, and the establishment of trade relations with the Soviet Union and the other socialist countries--the city must be one of the nations exporting, importing, and international trade centers.

Although the city has achieved a number of results, those results are not yet stable. Exports have declined every year. There have been many reasons for that decline, a noteworthy one of which has been that the more we have exported the greater our losses have been. Exports have not yet positively served production. In general, we have not yet been fully conscious that

foreign trade is a fierce struggle against China and the United States, which are plotting to limit our presence on international markets, and that we must compete with many other countries which, like us, are endeavoring to accumulate foreign exchange. Even in trade with neighboring countries we must continue to maintain our reputation regarding product quality, contract deadlines, etc. Our view toward foreign trade is still narrow. We only pursue temporary profits, have emphasized earning foreign exchange for the financial sector but have not emphasized foreign commerce or invested enough cadre and capital to expand the sector, and have not paid adequate attention to the interests of workers producing export goods. Especially, we have not yet improved our foreign trade apparatus so that it can truly become a dynamic organ.

The actual situation during the past 10 years has demonstrated that in order to promote exporting and importing it is necessary to maintain the principle of unified export-import management and encourage the development of exports and imports on the basis of stabilizing obligations, rights, and responsibilities, and end the situation of frequently changing regulations and organizing intermediary organs that purportedly serve upper-echelon centralization or export-import specialization, but which in fact are administrative-style monopolies which only create additional complications for the process of accelerating the return of capital.

The sending of foreign currency and "gifts" by overseas Vietnamese to their relatives in the city has historical reasons. We must know how to guide and encourage Vietnamese living abroad in sending foreign exchange, raw materials, or machinery instead of luxury consumer goods by means of an acceptable rate of exchange, which both benefits the families and contributes to developing the nation. Some recent actions regarding the setting of unsuitable exchange rates, which have reduced foreign exchange income from that source, and losses were caused by an incorrect, narrow viewpoint.

In the process of social reproduction, production is tied in with distribution, circulation, and consumption. The products that are produced must reach the consumers and the production installations. Under the capitalist regime, the commercial bourgeoisie, middle merchants, and small merchants fulfill those middleman roles, earn large profits, exploit both producers and consumers, and do as they please on the market.

After the liberation, in addition to carrying out the transformation of bourgeois industry we also transformed bourgeois commerce, but wanted to eliminate immediately that intermediate system, requisition-purchased the property of the commercial bourgeoisie, and shift small merchants over to production, at a time when socialist commerce was weak and accustomed to working in the administrative-subsidy style, which could not be changed. The objective needs of society created conditions for the restoration of private commerce. That, added to the market-disturbing activities of speculators, hoarders, and smugglers, cadres who slipped out goods to private merchants, and the enemy attacks on the economic front, ultimately threw the market into chaos. Therefore, it was not surprising that although production increased the living conditions of the workers and peasants were very difficult, while

the private merchants had very high incomes and people who earned their livings illegally prospered.

Recently the city, along with the localities, has tied in the transformation of private commerce with the transformation of agriculture and the development of socialist commerce (both state and cooperative), purchased goods at the source, and sold goods directly to consumers. It has succeeded with regard to a number of products. At the same time, it reorganized the small merchants; instead of their working for the commercial bourgeoisie, they became aides of socialist commerce. There were even appropriate forms of commercial cooperation for middle merchants, by means of which they gradually came to realize that they could go along with socialism. The city cooperated and worked together with the provinces, combined transformation with construction, emphasized construction, and had correct working methods, so it was able to master the market and limit price fluctuations.

The correct working method is to grasp the unified nature of the regional market and the operational modes of each distribution sector in society, and to proceed step by step in each sector to win partial victories and advance to winning increasingly more comprehensive victories.

Recently, socialist commerce in the city has made all-out efforts to improve its methods of buying and selling, and has achieved a number of good results. The commercial sector has not sat around waiting for goods, but has begun to form relations with production and to participate in the production process in order to control sources of goods and create good models at the basic level so that they can be multiplied.

But as long as the sector's bureaucratic-subsidizing administrative mechanism has not been dismantled and most goods are supplied by the upper echelon, the attitude that favors are being bestowed on consumers cannot be eliminated in the commercial organs. We know that such supplying began in the city 10 years ago, and nationally it has existed 30 years. Under resistance war conditions, there were legitimate reasons for the existence of the supply system. But in the economic development phase it becomes a restricting force, creates obstacles, and creates conditions for commerce to play the role of being a bridge between production and life. By taking steps to overcome partialism we can easily lead some basic units and localities to the other extreme: competing in buying and selling, and tending toward earning profits from price disparities. The term "service" is distorted, while a number of other basic units continue to resist change.

The great undertaking of transforming commerce is under way. We must explicitly affirm the unity of service and commerce in the commercial sector, the standard for measuring which is market stability. There are innate reasons why the market is not yet completely stable: the commercial sector cannot yet meet the needs of the masses, in part because of its capability and organization and in part because of the restrictions of prices and the banking sector; the task of transforming private commerce has only just begun, the transitional economic forms must continue to be perfected, and we have not yet enabled private merchants working with the state to be truly at ease. There are even negative phenomena and mistakes, and we have not yet assembled and

used skilled small merchants in appropriate forms; goods stockpiles are small, etc. We need time to improve those weaknesses. However, the market situation is not yet fully stable and is related to the following two phenomena: first, the leaders among the comprador bourgeoisie continue to operate by spreading false rumors and having their lackeys buy up all the goods; second, a number of state installations and cooperatives have allowed goods to be slipped out to the free market. We must eliminate at the roots all forms of "relations" between commercial organs, production installations, and sectors responsible for economic security on the one hand and private merchants on the other hand. It is certain that that is one of our city's foremost problems at present.

In carrying out transformation, attention must be paid to one phenomenon: many state installations can operate only when they have a monopoly, i.e. they have the market to themselves and do not have to compete with anyone, so that there are no contradictions. That is a very mistaken concept. State monopolies are necessary but cannot be confused with the partial, shallow monopolies of the past because there are contradictions among the needs of the masses, the quality of service, and the results of commerce.

Combining management by sector with management by locality and territorial areas are among the basic management principles of socialism and are intended to implement the subjective economic relationships in the city and the region. The process of advancing to large-scale socialist production demands an increasingly higher level of specialization and cooperation, rational division of labor and decentralization, and good organization of socialist cooperation in accordance with unified plans in the sphere of the city and the region. In fact, in recent years as well as many services and sectors in the city have concentrated on the units directly under them but regard lightly their responsibility toward management by economic-technical sectors, i.e. the unification of all production-commercial units in a sector, without distinguishing between management echelons or economic components, in order to ensure all democratic centralism contents and principles in economic management: planning, economic-technical development, and cadre training to redistribute the production forces, rearrange the structure of sectors in the city, with unified plans, and on that basis make rational use of the city's industrial potential.

After the issuance of the resolution of the Sixth Plenum (fourth term) the situation improved and the city gradually carried out a division of labor and decentralization of economic management to the precincts, districts, subprecincts and villages.

A matter of decisive importance is that it is above all necessary to view the economic sectors in the city as forming an indivisible entity and as being related to one another not from the aspect of "cooperation" but as being included in a structure that must operate as a whole, and as being links in a chain, and not allow the division of labor and decentralization to influence production, but make output and efficiency the standards. We must not view division of labor and decentralization as a division of property or the fragmentation of production, in which one echelon impedes another and in which division of labor and decentralization only have formal value, so that the

more the "division" the greater the confusion. That is an important requirement which must be fulfilled in order to avoid a situation that has become a joke: a bottle of beer being the responsibility of three organs--the bottle being the responsibility of the light industry sector, the beer being the responsibility of the food products sector, and "gas" being the responsibility of the chemical sector. The division of labor and specialization should not cause a place of production to experience difficulties and slow down. There is no scientific decentralization higher than the actual results of production.

With regard to that matter, it is necessary to implement the guiding thoughts of the resolution of the Sixth Plenum of the (fifth term) of the Party Central Committee: "expand the right of the production-commercial units to take the initiative and be creative, establish their right of financial autonomy, expand the right of the localities to take the initiative, under the centralized and unified management of the Central Committee, and tie in obligations with benefits and responsibility with authority in each sector, at each echelon, and in each basic unit."

Because of the actual situation in the city, and especially because of the difficulties in industrial production in the 1979-1990 period, the city realized at a rather early date the necessity of developing the right of initiative in production and commerce and the enterprises' right of financial autonomy. Since the final months of 1980 the city has stopped the decline of industrial production in the city and developed some aspects. In economic management, it has begun to overcome the attitude of relying on the financial and material resources of the state for plan balancing, do a better job of developing the four capabilities, and gradually develop the right of the basic production-commercial units.

However, few results have been attained. Many principal products have not yet attained the norms, and productivity, quality, and economic efficiency are still low. Especially, the consumption rates of materials and energy per unit of production are still high and the capacities of equipment and machinery are under-utilized, so we have not been able to reduce production costs or fully exploited the city's existing industrial capacity.

The reason for that situation is that because planning is still restricting and has not fully developed the dynamism and creativity of the basic units, and production-technical-financial planning has not been instituted solidly and simultaneously. Although the economic lever policies--the financial, banking, price, salary, and bonus policies--have been improved, they are still limited and slow and have not been coordinated as a whole.

In a place which has concentrated industry and is extremely mobile, such as our city, flexibility is a key compulsory standard for the financial, banking, price, and other sectors, in order to accelerate the return of capital. In recent years the city's financial, banking, and price sectors have made many efforts to apply the laws of development in a flexible manner to serve production and commerce, but still has not met the needs because some stipulations are not favorable for many aspects of economic development.

Some of the foremost requirements of the financial-banking sector are to control most goods and cash, accelerate the money-goods cycle, limit to the minimum the amount of goods and money floating around in society or stored for years in warehouses and storage yards, and prevent the individual sector from using money and goods in a manner that adversely affects the economy. The financial and monetary measures must help develop production, stabilize living conditions, and allow the state to take the initiative in economic-social planning.

For many years now the monetary situation in the city has experienced a deficiency time and time again : the shortage of cash, especially at a time when it is needed for state purchasing. The reason is very simple: too much cash escapes control by the state. But that is only the external reason. The true nature of the problem is that the financial-banking sector has not clearly defined its mission of serving production and commerce, but still continues to operate in a passive mode.

Everyone knows that the bank interest rate is lower than the inflation rate, so it is difficult for the state to mobilize capital from among the people. That problem can be resolved only when the bank accelerates the cycle of monetary circulation. Within the sphere of the city, we have been slow to adopt measures within our competence to control money. There is also the matter of viewpoints: the mobilization of capital from among the people must, of course, be a political campaign which brings out the patriotism of the masses, but we were not able to do so because we forgot that circumstances had changed and that now the entire nation is doing economic work, i.e. we must stress ordinary social laws that differ from those of wartime. The patriotic factor is always very important, but it must ensure that people who deposit money in the bank do not suffer losses but earn moderate interest. That is a matter of correctly combining the appeal to patriotism with economic laws. Of course, an arithmetic lesson will have to be learned: if the bank remains passive, no matter how low the interest rate the state will still suffer losses. While improving the bank interest rate, it is also necessary to improve the banking mechanism, the banking apparatus, and banking employees.

Economizing is very important, but the city does not yet have a movement in the true sense of the word, and has not yet issued strict regulations to compel the sectors and organs to economize. In general, economizing is still limited to appeals and to mobilizing consciousness. In fact, the most serious violation of economizing is still that the bureaucratic-subsidizing administrative mechanism allows terrible waste of labor time, labor forces, and talent, covers up the diseases of irresponsibility and the waste of materials and finances, ignores the fact that sectors and organs operate at a loss and have enormous staffs which "swallow" their budget, and indirectly encourages laziness, false reporting, and the various forms of thievery. The losses caused by that mechanism are truly unimaginable and no effort to increase productivity can make up for them. Therefore, in economizing the most important factors are improving the mechanism, helping production and commerce from their "oxygen tent," throwing them into the fray, and mobilizing all facilities to produce wealth. Unprofitable operations and cumbersome staffs are the twin children of the bureaucratic-subsidizing mechanism. With regard to staffs, Stalin said that "Our state organs and cooperative organs,

and the organs receiving assistance must be reduced and simplified, from top to bottom, so that they can be further strengthened and less expensive. The extreme waste and cumbersome staffs of our management organs have become a widely discussed topic. It is no wonder that Lenin said dozens and hundreds of times that the cumbersome organization and wasteful expenditures of our state organs are serious burdens for the workers and peasants, and that all necessary steps must be taken to simplify them and reduce expenses." (Stalin, "Collected Works," Su That Publishing House, 1964, pp 131-146).

The sphere of economizing also encompasses irrational waste and methods which are far remote from the communist work style. In that regard, our city has committed rather widespread violations. The following is a quotation from Stalin which is very appropriate for us: "We must resolutely struggle against the phenomenon of showing off by our management organs and in our daily life, and oppose the criminal attitude we have noted recently toward the people's property and the reserve stocks we have built up. In that regard, we note the prevalence of extravagant customs, such as celebrating holidays in a very wasteful manner, and organizing victory feasts, anniversary ceremonies, inaugurations of commemorative historical markers, etc. In our country, there is a strong desire to hold many big celebrations and commemorate events, to the extent that millions of rubles are required to satisfy those needs. We must end unnecessary waste by those communist party members. We are faced with industrial needs which must be satisfied, and most immediately with the situation of many people being unemployed and many homeless children, so we of course cannot condone such extravagant waste." (Stalin, op. cit.)

With regard to capital construction, we are in a situation of not being able to achieve conditions for simple reproduction. Marx observed that "No matter what the social form of the production process, that process must be a continuous process. In other words, it must pass through cycles in which the phases are identical. No society can stop producing, thus any the production process of any society, from the point of view of its continuous renovation and not its status at any given time, is at the same time a process of reproduction. The conditions for production are at the same time conditions for reproduction. A society wanting to achieve reproduction, i.e. wanting continuous production, must continually transform some of its products into means of production, into factors for increasing output. In a situation which never changes, a society can maintain its production at the old level if it replaces its labor, raw materials, and materials, i.e. if it replaces the production means that have been consumed in a year, for example, with other materials the same kind so that the quantities remain the same." (Karl Marx, "Capital," Su That Publishing House, vol. 1, p. 7).

The requirement to repair, replace, reequip, etc., the old facilities has become urgent if we want to maintain and develop production. That is an important direction which the city and central budgets must take into consideration. The city's infrastructure--roads, sidewalks, buildings, sewers electricity lines, telephone lines, etc.--have deteriorated, in many cases to an alarming degree, and the more time we take to maintain them the more they deteriorate. Meanwhile, a number of localities have not invested in capital construction in the right direction, at the right time, or with the right priority.

As is true nationwide, economic accounting in the city still lacks a scientific basis. We cannot carry out accounting accurately if we do not find a common denominator to serve as a standard, at a time when price levels are too unstable. After a period of activity an enterprise can report a profit or a loss, for we have not yet included all expenses, including rice and essential goods supplied to workers and their families, in production costs. Furthermore, the prices of rice and essential goods are far from their actual costs. The value of fixed property is underestimated, as are the depreciation of fixed property and the prices of raw materials, prices, fuel, etc.

That is a major difficulty which gives rise to many shortcomings, and even to very different conclusions regarding the actual economic situation.

The production emulation movement in the city is, in general, positive and wholesome, and is a political campaign based on political consciousness and at the same time is combined with material incentives at appropriate levels. However, in actuality there still exists the situation of improper, excessive, or insufficient bonuses, or abuse of monetary bonuses. Stalin criticized the organs and enterprises for "Paying allowances, which they call bonuses, to large numbers of workers, although they are not in any way bonuses." (Stalin op. cit.). Furthermore, in a number of units which manage in the administrative-subsidizing management style, emulation is not tied in with the benefit of the workers but take the form of generalized commendations, so they cannot be emulation campaigns in reality.

The Central Committee has many times praised the contributions by the city's economy to the nation. Those results are related to the nature of the city's industry, the tradition of the working class, and the party's mass education. It is very clear that the city cannot produce only to meet its own needs, that contributing to the nation is both an obligation--from the point of view of morality--and manifests the essential nature of industrial production, from the point of view of economic laws. Of course, the extent of the city's contributions depend on its level of production. The relationship between the central and local levels and between the whole and the parts, including the relationship between consumption and accumulation and that between the short range and the long range, will become increasingly rational and solid, on the basis of developing production.

The above are the city's principal economic problems after 10 years of development. We have learned basic lessons about the successes and lack of success of the city, which revolve around the level of application of the scientific principles of the economic-social management of a city that has always been a regional industrial center, in the difficult circumstances of the nation as a whole, at a time when it must begin to become self-sufficient in budgetary matters and in the initial phase of the period of transition to socialism.

II

Improving the living conditions of the city's people is a long-range requirement which depends on the development of production in the city and in the region. During the first years after the liberation, we were heavily oriented toward resettling people and toward improving living conditions by means of self-sufficiency by each organ and enterprise and by sending workers to the new economic zones. The latter was entirely correct, but there was a lack of careful preparation and negativism in management, so in general the results were very limited, except for some Assault Youth projects.

Having gained experience from that situation, the city changed its way of resolving the problem and concentrated on expanding small industry-handicrafts trades in the localities and on taking on contracted work, including the contracted production of export goods. With the campaign to dismantle the old mechanism, many enterprises and services operated regularly, formed economic alliances, and promoted foreign trade, although the city is still subjected to a number of common restraints the incomes of some workers engaged directly in production have clearly increased, while the unemployment rate has gradually been reduced, which has contributed to stabilizing the living conditions of some of the masses and to the inevitable result of increasing labor productivity and social output. The lesson was very clear: it was necessary to find a way out with regard to living conditions and unemployed workers even in the development of the local economy, and assign primary responsibility for improving the workers' living conditions to the workers themselves, by means of their productivity. Examples in a large number of enterprises, such as those producing cigarettes, textiles, soap powder, pharmaceuticals, machinery, etc., show great results: economizing in the use of materials and, above all, the accumulation of capital for the state--the most correct method of accumulation.

For many years now there have arisen problems in the city's economic-social management, which have become increasingly serious, revolving around the matter of salaries. First of all, salaries have not been included in the sphere of production, as in the famous $C+V+M$ formula of Marx. Therefore, the salary scale is practically independent of the productivity and results of the labor of an individual or production unit, and therefore does not serve to encourage labor. Furthermore, salaries do not reflect the situation of prices on the market and the devaluation of money. Thus salaries lost their significance long ago and no one can live on their salary alone. That is an especially serious problem which has resulted in numerous evils. The actual situation has demonstrated that the problem is not that social wealth is insufficient to provide a living for the workers, but if the present irrational situation is maintained there will continue to be social injustices and the state cannot accumulate capital.

Salaries do not encourage production. The highest salaries of craftsmen are still too low in comparison to some salary scales, and some sectors have salary limits no matter how skillfully a person works or how much seniority he has. Salaries are still deficient in that they slight key jobs which have long-reaching influence on society, such as the salaries of day-care workers, nursery school teachers, and Level-I teachers, the salaries of public health

personnel, scientists, writers, and artists, etc. In general, the old salaries reflect the viewpoint of egalitarianism, and are not based on labor productivity and capabilities to make actual contributions. Therefore, any place that increases the workers' incomes is immediately questioned, while an enterprise would never abandon workers who are exposed to questioning. We oppose "giving a free hand" in setting salaries, which results in excessive disparities among the incomes of workers, but we must resolutely overcome egalitarianism in the salary system, which transforms state organs into "social welfare" organs, the workers show up just to put in their time, and state employment is merely a shell, while the workers' primary employment is elsewhere. No matter what, the salary system must maintain its incentive nature, in accordance with the principle of socialist distribution: those who work much receive much, those who work little receive little, and those who do not work receive nothing. People must work according to their ability and be rewarded according to their contribution. The rectification of the salary system will not only result in increased salaries but also set the standards with regard to social justice, reevaluate the results of everyone's labor, and encourage a new morality and new contributions.

We all understand that if the disparity among the incomes of workers reflects the level and intensity of labor, it is in accordance with the principle of socialist distribution. The only way to reduce that disparity is to increase low salaries by increasing productivity, not by pulling high salaries down. Necessary corrections must be carried out resolutely in places and among people prospering because they take advantage of the level of others or engage in illegal activities.

During the past 10 years the city has made many all-out efforts to improve the workers' those efforts have been patchwork in nature, have been intended to "put out fires," have been partialistic, and have depended more on the capabilities of each place than on a complete, unified policy.

With regard to life, in its broadest sense, the city has been successful in the spheres of education and culture.

During the past 10 years, despite the fierce challenges with regard to living conditions, harassment by the enemy, and negative phenomena, the new man has gradually taken form in the city among workers, peasants, intellectuals, secondary school students, college students, and the other circles, who are assuming responsibility in the city for everything from production, the protection of security, and aid for our friends, to achieving glory for the city in literature, art, culture, science, physical education and sports, etc. That transformation was truly great when we remember the long years during which the city lived in the smokescreen and venom of the enemy.

A characteristic of the city is that most of the people belong to the petty bourgeoisie and independent workers. Millions of people who were not engaged in production were brought into the labor force, and millions of individual workers who had very little direct contact with production were brought into organized labor and into contact with production. That was a very difficult task in which the city achieved encouraging results. That was the core of the over-all transformation. From a situation of not producing material wealth,

or even of living the lives of parasites or being accustomed to excessive enjoyment of material benefits, those forces are contributing to the development of the city and the nation by means of their sweat and intellect. Of course, consciousness among those forces is not uniform--youths accept new things more readily and whole-heartedly and view labor as being an obligation and a noble ideal, while adults work primarily to earn a living--but the new morality has arisen in society on the basis of the new class division, which amounts to the greatest change in the city's history.

The results that have been achieved prove that we are in close contact with the true nature of social transformation, are transforming people by means of labor, make the ordinary laws of social development the framework and conditions of transformation, and know how to distinguish between the historical characteristics of the city and the city's people in selecting the main line of attack. Once again, our party's viewpoint has been victorious: the city's people have affirmed that they want to stand under the banner of socialism because they are very proud of the past struggle of their nation and class, carry on the tradition of the past, and believe in their revolutionary characteristics. It would not be difficult to enumerate the bad, negative aspects of the city's people. What is difficult is enabling the city's people to affirm that their good points are fundamental. We fear that the city's people will not realize their bad habits, but we are even more afraid that they will think that they are indeed bad people who will find it difficult to become good people. The city's party organization is making all-out efforts to guide the city's working people so that they can understand the true nature of the new society--one that is in accord with their nature. Socialism--as a dream of the working masses for a life of freedom, justice, and prosperity--has been part of the city's history. The city's working people are capable of having strong national and democratic consciousness because the city is a place in which the people clearly understand the shame of having lost their country and the fate of slaves, and aspired to become the masters of the city, a right that had been taken from them long ago. The city's working people are capable of class consciousness because capitalism was long dominant in the city, a place in which the mode of surplus labor exploitation directly affected all aspects of the workers lives. Of course, those latent capabilities could become a motive force only when our party tore down the curtain of mystery from around "the people of Saigon," who were victims of prejudice because it was thought that they had become part of the enemy's plans, plots, and schemes. Above all else, the reason why the city has remained steadfast during the past 10 years is that it has returned to its original position as a city of workers, industry, and science and technology, a city that is young and vital, has a soul, and is creative. General Secretary Le Duan expressed that truth very profoundly: "Saigon and socialism have a rendezvous with history."

In analyzing all of the above, we never regard lightly the effects of the cultural vestiges of old-style colonialism and neocolonialism on the thought, way of life, sentiment, and morality of some of the city's people, including some people who consider themselves intellectuals and some of the youths. The struggle to eliminate those influences must be persistent and resolute. As long as the new society has not yet appeared, with its strong influence, we will not be able to celebrate the complete elimination from life of the

vestiges of the old society. The problem is to repulse them in the principal spheres, as we are now doing. There must be determination to negate what must be negated. A problem that has arisen during the recent period is that on the cultural-ideological front, in addition to such accomplishments as equipping the city's people with pride and self-confidence we have committed many errors, among which the most worthy of criticism is that we at times have been negligent and allowed those vestiges to reappear, to the degree that some people have been corrupted by them. A way of life that emphasizes material pleasure is one of the manifestations of degeneration which has not yet been thoroughly criticized.

Furthermore, even in the cultural-ideological sphere it is still necessary to distinguish between the cultural vestiges of colonialism, the industrial way of life, irrational pursuit of material benefits, blind worship of things foreign, and the needs of a developing society. At the same time, we are not simplistic to the point that we blame all negative phenomena on the vestiges of colonial culture and ignore the other reasons. Many negative social phenomena may arise when economic-social management is exercised by a bureaucratic-subsidizing administrative mechanism. We also cannot forget that in such a mechanism the vestiges of colonialism and feudalism can easily ally with each other, and in fact have formed alliances which have caused serious losses for the party and the nation, not only materially but also morally.

Democracy is another important aspect of life.

Socialist democracy differs from other types of democracy in its class nature--with regard to whom it benefits--and its characteristic of the working masses determining the major and minor national questions.

The success of the socialist revolution in our country meant that the people had conditions for transforming democracy from the form of aspiration to the form of a legal code, and to tie in that democracy with the process of liberating production capacity, creating new mutual-aid relationships, and ensuring that the nation and the working people have a future entirely different from the past.

Socialist democracy, although it must pass through many phases en route to becoming continually perfected, because of the objective conditions of the nation's situation and the cultural level of the people, the requirement of implementing democracy, bringing democracy into social life, and defending and developing it, is always a concern of the city's party organization because we understand that the accomplishments of socialism are always signified by progress in improving the material and cultural lives of the people, as well as progress in the democratic activities of society as a whole.

To speak of democracy in the period of building socialism is to speak of the most important thing: economic-social management exercised according to law.

In our system, with regard to workers who have won political power, laws manifest the collective mastership right of the working people, are dictatorship tools for defending the accomplishments of the revolution, and define responsibility between the managers of society and society, between the

masters of society and the managers of society, and among the masters of society.

Laws--especially economic laws--and discipline must be effective with regard to all echelons and sectors, without exception. We are perfecting laws and the socialist legal system, and are implementing the slogan, "live and work in accordance with the Constitution and laws" and emphasizing the role of economic arbitrators and the strict observance of economic laws to the true equality of all citizens in the enterprise of developing and defending the nation. However, that does not mean that there are no longer any violations, covering up for violations, or an attitude of "bestowing favors" in implementing democracy and laws. In actuality, at times we have emphasized individual violations in the criminal sphere and have paid little attention to harm caused by a lack of responsibility in management. We have paid even less attention to people and collectives incurring chronic deficits and harm caused by mistakes in guidance, which sometimes even adversely affect national activities.

The socialist revolution in our city must be an undertaking of the city's people. Ten years after the revolution, there are no longer distinctions among citizens working together to build and defend the city. The past 10 years have given us confidence that the city's people are capable of fulfilling those undertakings well.

III

After 30 April 1975 the party organization became a ruling party organization, after 45 years of political and armed struggle, and of existing secretly and making mass proselytizing its primary and only operational mode, except for 29 brief days of openly leading the city at a primitive level.

The first problem posed for the party organization was to manage all aspects of a city--a large industrial city with many requirements--to eliminate old things and build new things. The party organization, which suddenly changed over from an illegal status to a ruling status, was not truly prepared because although the nation's struggle had been a long one, the city's liberation had taken place very rapidly.

To exercise all-around management of a city was to assume responsibility for all of its activities--a city with a large area, a large population, and concentrated industry, a central city which influences an entire region, a place in which both friend and foe are concerned with watching us and evaluating the stability of the Vietnamese revolution.

Today we have a basis on which to reach a conclusion about the development of the party organization during 10 years of existing in the new environment: the city's present situation is a mirror which faithfully reflects what has been accomplished, what has not yet been accomplished, what the party organization has done correctly, and the mistakes it has made.

The city's party organization was forged and challenged against a background that was completely different from the responsibilities it had to bear after

our great victory. In addition to its inexperience with regard to state management and economic matters, the party organization was limited in a number of important ways, especially with regard to the point of view from which it viewed the city. Therefore, the maturation of the party organization during the past 10 years the maturation of the party organization has essentially been maturation with regard to consciousness. The process of management in the city has been one in which the party organization has groped, studied, and gained experience from the losses caused by its low level. We must dismantle the mechanism which holds back production, i.e. change our style of economic-social management when it begins to contradict the demands of the development of production, in a figurative sense to step out of the chalk circle we have drawn and escape from our status as prisoners of war! At the same time, we contracted the diseases of subjectivism, voluntarism, and impatience, which led to a situation described by Stalin: "Some comrades negate the subjective nature of the laws of science, especially the laws of political economy studied under the socialist system. They do not think that the laws of politics reflect the law-like nature of the processes which occur independently of the will of man. They think that because history has reserved a special role for the Soviet state, the Soviet state and its leaders can erase the existing laws of political economy and can 'promulgate' and 'create' new laws." (Stalin, "Economic Problems of Socialism in the Soviet Union," Su That Publishing House, 1969, p 5). In fact, we have violated laws of political economy principles because we are not yet imbued with Marxist-Leninist theory and have not yet strengthened our working class stand-point because of the habits of people accustomed to armed struggle. Dismantling the inappropriate bureaucratic-subsidizing administrative mechanism is not an innovation in the true sense of the word, but only amounts to our understanding economic laws and returning to production conditions which ensure that it develops ordinarily. Even though it is a simple matter, beginning to understand economic laws is an important milestone which signifies our maturation and that we have become capable of taking the initiative with regard to the process of building socialism in the city. Our circumstances are very complicated. We are managing a city in which, as Marx explained in a letter to P.V Annensov, "Each succeeding generation has production forces created by the previous generations and are used by the new generation for new production," and which uses "the forces it has obtained, i.e. the products of past activities" to attain its goals. Therefore, we must know how to discover, understand, and apply those laws. In the words of Stalin, we must "direct the destructive effects of some laws in other directions, limit their effect, and open the way for the other laws which are seeking a path to follow to have a wide effect." (Stalin, op. cit.). While awaiting objective conditions that are sufficiently ripe for the socialist economic laws, we must know how to take advantage of the positive aspects, and limit the negative aspects, of those laws, and apply the transitional forms in a way that benefits our undertaking.

The actual situation during the past 10 years demands that our city, like many other localities, on the basis of guidance by the Central Committee renovate the outmoded economic management mechanism in order to replace it with a proper management mechanism with transitional forms that are appropriate to the initial period of transition.

There is nothing which allows us to be self-satisfied, but our past maturation allows us to more fully understand, from a scientific point of view, the lines and policies of the Party Central Committee.

The city's party organization has a long tradition of revolutionary struggle and closeness to the masses. The city is one of the cradles which incubated and gave birth to the predecessor organization of the Communist Party--the Red Trade Union--which was founded in 1920 and formed a close alliance with the peasant' movement throughout the region. The 10 years during which the party organization has ruled the city have sternly challenged the moral quality of the cadres and party members. The operational mode of the period of proselytizing the masses to overthrow the reactionary regime and use the form of armed violence differs from the operational mode of the period in which the party exercises political power and makes economic-social construction its primary goal, but the essence of the two periods is the same: the strategic revolutionary missions change but the revolutionary nature of the cadres party members never changes. In the past the party led the masses in breaking their chains of slavery. Today the party is leading the people in building prosperous, happy lives, and does everything for the benefit of the people. The party organization is proud to have maintained that tradition.

A ruling party organization must firmly control the proletarian dictatorship, exercise the collective mastership right of the people, and simultaneously carry out the three revolutions. If during the past 10 years, at times the party organization has "relaxed the proletarian dictatorship" on a number of hot fronts, as stated by Resolution 01 of the Political Bureau, in general the party organization, under the guidance of the Central Committee, has increasingly matured in its understanding of the socialist revolution and its basic principles. Having won initial victories on the various fronts, although only initial ones, the party organization has learned a profound lesson regarding the proletarian dictatorship. As Lenin taught, the proletarian dictatorship is the absolute political authority of the working class in the sphere of society as a whole. That political authority with regard to economics is manifested in increasingly higher productivity, quality, and production efficiency, and in the absolute superiority of the revolutionary authority vis-a-vis the plots of domestic and foreign enemies to sabotage the accomplishments of the revolution, and in the increasingly stronger worker-peasant alliance, with appropriate policies to advance the peasant class and the other party bourgeois strata to socialism. In the city, the initial missteps were perhaps the price paid for the maturation of the party organization, a necessary price paid for a valuable lesson. If that price had not been paid, the depth of that lesson would not have been as great. Of course, not all missteps result in maturity, if the party organization itself and the city's people were not sufficiently capable, brave, and dynamic to advance and if they were not guided by the Central Committee.

The collective mastership right of the working people is a very great matter. The ruling party assigns very heavy responsibilities to the party with regard to the lives of the people. It is specifically concerned with the workers' two daily meals, "friendship houses," public welfare, an attitude of self-criticism toward the people by the party chapters, the governmental

administration at the basic level, the local public security police, the state retail clerks, etc. That is far different from the attitude of the previous administration, which for a hundred years brought about calamities in the city. Of course, that concern has not always been adequate, and there have even been many deficiencies, but the party organization has manifested the special characteristic of the revolutionary regime--serving the masses--and makes the attitude toward service and the effectiveness of serving the masses the yardsticks for measuring the quality of the party organization, of each party member, for the party understands more than anyone else that the masses sacrifice so that the revolution can be victorious, not to see the reemergence of forms which hold back the masses or of special authority and arrogance, which are products of the oppressing and exploiting regimes. The masses in the city, people who lived for a long time under the cruel regime, are very sensitive toward anything that threatens the interests and mastership right of the masses. Therefore, even when it implements policies for long-range benefit and the benefit of the whole, the party organization always reminds party members to be concerned with adequately providing for the immediate interests of the masses, as capabilities permit. Another victory of the party organization is that the past 10 years have been a process of combining "construction and opposition" within the party organization, the leading edge of which has been opposition to bureaucratism. Bureaucratism is not the nature of our regime, but is a disease which spreads under the conditions of the party being in power. Its manifestation in the city is that some elements and people in the city have forgotten that the masses are the source of the revolution's strength, know only the upper echelon and do not know the masses, and are cool toward the pressing difficulties of production and life, which the masses are waiting for the party to resolve. The actual situation in the city since 1979 has shown that production and living conditions will be improved to the extent that those dangerous diseases are cured. However, the struggle to defeat the inertia and impediments of the bureaucratic mechanism is not yet sufficiently strong. Clearly, only by defeating bureaucratism within the ranks of the party in the present situation can we guarantee the superiority of socialism in the battle to determine "who defeats whom."

The party organization has made efforts to oppose negative phenomena within the party and in society at large by means of a complete set of measures, as indicated by the resolutions of the Party Central Committee and the municipal party committee, but manifestations of laziness, false reporting, thievery, and decadence still exist in the party and in places are very serious. The negative aspects of society are reflected within the party, but it must be pointed out that during the past several years many major negative incidents have occurred within the ranks of the cadres which have been related to the state organs. Some have involved high-ranking cadres. Thus internal negative phenomena have become negative phenomena in society. A vanguard party absolutely cannot accept negativism within its ranks. People who are called party members and have positions of authority also cover up for and even spread the evils the party is attempting to eliminate, in fact have lost their party nature and oppose the party.

At a time when our party is concentrating on improving the management mechanism, is expanding the right to do business down to the basic level, and is building an economy with transitional economic forms--which are correct

policies--it is even more important to strictly oversee internal activities and strengthen the spirit of self-criticism and criticism. Otherwise, the correct policies of the party will be understood as competition to earn profits by commercial trickery and will be used to attain nefarious goals. They will become calamities for the nation if responsiveness with regard to moral quality is "hardened," and acts which violate communist ethical standards and state laws will be regarded as being normal.

At present, revolutionary alertness and responsiveness includes alertness and responsiveness toward the sources of profit that have suddenly appeared, and toward the excessively hospitable fawning, flattering words, and seductions of all kinds. We must emphasize that to one another and make it widely known that people can help one another maintain their moral quality. In this case, we should never vouch for ourselves by means of our past accomplishments and positions. Revolutionary alertness is also guarding against bad elements who hide behind enthusiasm and are over-zealous in promoting or applying policies to create anger among the people and separate the party from the masses. That is an extremely dangerous scheme often used by the reactionaries to attack the revolution.

We have been in power for 10 years. That has been sufficient for the social circumstances to affect people. During the next 10 years, how will we be? The future is limitless. The problem ultimately is cultivation with regard to knowledge and virtue, everyone abiding by the standards of social life, and using laws to compel and control.

Now more than ever, teaching communist ideals to party members is an urgent requirement. If, before we gained political power, we dreamed of carrying out the socialist revolution in our country, so that everyone would have enough to eat, clothing to wear, and houses to live in, so that children could have kindergartens and old people could have "old people's homes," and in order to end oppression and exploitation, during the past 10 years we have controlled enormous tools with which to begin to realize our dream. With regard to communists, that is an incomparable source of happiness. The fight to build socialism in general does not require gunfire and bloodshed, but it is extremely fierce because it is very thorough and completely changes the thousand-year-old social order. Visible and invisible enemies surround communists, and anyone who has not been cultivated could easily fall victim. Sometimes, people who have been steadfast during decades of armed struggle are brought down for very ordinary reasons. The fierce class struggle in society at large still affects all of us. Therefore, in their heads, hearts, and actions communists only want to serve the nation and the people. They share everyone's happiness and are angry at improper deeds about which everyone is angry. Both the young and the old must have the ability to ensure that party members are worthy of a vanguard party. After the 1911 Revolution overthrew the Ching Dynasty, Sun Yat-Sen, a bourgeois politician, made the following appeal: "the revolution has not yet succeeded, so you must make even greater efforts." In one sense, the revolution has only begun in our city and we still have a long way to go.

Communist morality inspires loyalty. In a ruling party, loyalty within the party sets an example for society and all generations to follow. The

affirmation of that moral quality must be accompanied by directly condemning, as a kind of crime (in Lenin's words) untruthful reports and reports intended to gain merit with the upper echelon, which do not reflect the actual situation but adhere closely to the "prejudices" of the upper echelon and are not concerned with the reaction of the masses but only fear criticism by the upper echelon.

During the past 10 years the city's party organization has brought into its ranks tens of thousands of the loyal, enlightened masses, including a considerable number of people who emerged from the movements and an increasingly larger percentage of young people. The cadre forces have gradually been rationally assigned. After receiving additional theoretical and specialized training, comrades who fought on the battlefield have assumed important responsibility in many spheres. However, the party organization must continue to make special efforts for a relatively long time to transform the structure of party members in the party organization, and ensure an increasingly larger ratio of party members who are workers engaged directly in production or in managing production, who are educated and who are young, to correspond to be city's industrial nature. That is an objective demand which can be met only if we confirm the concept of party building in the city. Above all, we must make the challenges of the past 10 years the yardstick for measuring quality, avoid the practice of only being concerned with reviewing personal dossiers, and end the situation of admitting party members according to sentiment, paternalism, and factionalism, which not only does not increase the party's combativeness but, on the contrary, further expands the alliance among negative and opportunistic elements.

It must be clearly realized that the party organization's increase from a few thousand members to 50,000 members in a period of 10 years—which was demanded by circumstances—was an extraordinary phenomenon. The time has come when the party organization must be normalized organizationally. The number of party members must reflect the city's revolutionary organization, and party members must be selected primarily from among outstanding workers in the city, especially those engaged directly in production.

The number of intellectuals admitted into the party during the past 10 years is still small. That is a problem which must be quickly overcome.

With regard to cadres, the party organization must continue to resolve many problems and create long-term stability. Cadres who arose in the movements and were stalwart in the life-or-death fight with the enemy combine two important factors: being close to the city's laboring masses and having knowledge and ability. Those cadres have not yet been assigned rationally. That is a major problem which must be dealt with immediately.

Furthermore, the city is faced with the actual situation of the educational and specialized levels of lower-level cadres steadily rising while those of some upper-level leadership cadres remain the same. That situation has had an adverse consequences: either the upper echelon will essentially use its party and administrative authority to direct tasks or the lower echelon will ignore the upper echelon. No matter what, the party's leadership will be limited and the party work in such cases will be removed from the most

decisive matters: in general, the revolutionary undertaking will be harmed. Therefore, the following two methods must be applied side by side: cultivating the leadership cadres and promoting cadres according to their ability. Comrades who are educated but are not yet experienced in actual struggle should be assigned work near the basic level so that they can gain experience in mass relations and assume all-around responsibility in a certain sphere so that they can learn leadership and party work before being assigned higher positions.

We are endeavoring to eliminate the bureaucratic-subsidizing administrative mechanism in economic-social management, but that task will be carried out slowly until we get to the root of the problem. Of course, there are viewpoints and policies on that subject, but there are also the matters of structure, organization, apparatus, cadres, and people. If the key cadres in the sectors do not have a high degree of unanimity toward the viewpoints and policies of the party, the process of eliminating that mechanism will be hesitant or will be carried out in form only. The elimination of the old mechanism must be carried out not only by the economic organs but by all organs, especially by organs fulfilling party building missions, including the party organization sector.

IV

The municipal party committee, the executive organ of the municipal party organization, took form with the foundation of the party in 1930. The history of the city's struggle is also the history of the maturation of that key party of the party organization, which has always been very close to the worker-peasant masses, under the direct, close leadership of the Nam Bo regional party committee during the years of the anti-French resistance war, of COSVN during the anti-U.S. resistance war, and above all under the Party Central Committee. During the 45-year long history of warfare many members of the Central Committee and the regional party committee were always at the side of the municipal party committee and at times were members of it. The present General Secretary himself set aside much time to guide the city's movement during the two resistance wars and during the 10 years since the liberation. Therefore, during the most difficult periods the leadership organ remained in the city, many key members of the municipal party committee remained in the city proper, and the leadership of the committee was never interrupted despite many losses.

Carrying on the tradition of the resistance war years, as it begins the period of leading the city in building socialism and defending the nation the municipal party committee, in the course of three congresses, has proven to be a combat staff that is worthy of the confidence of the city's party organization and people. Leadership of a complicated area with a central position and responsibility requires a spirit of revolutionary offensive, responsiveness, creativity, and especially closeness to the masses and the basic level and a spirit of daring to think and do in order to remove the restrictions and difficulties vis-a-vis the development of the economic-social situation. The municipal party committee, under the direct guidance of the Political Bureau and the Secretariat, after its initial missteps learned how to effectively organize the implementation of the party's resolutions, rely on

the masses, listen closely to the cadres, and dare to admit mistakes and deficiencies so that it could correct and overcome them. During critical periods it has concentrated on the most essential matters in order to get things going and quickly isolated the key problems in the process of economic-social development, such as making industrial-agricultural production the base, finding methods to transform the city's economy in such a way as to positively affect production while still fulfilling the requirement of gradually eliminating exploitation, persisting in its viewpoint of caring for the living conditions of all strata of people, being concerned with both the city proper and the outskirts, being concerned with exporting, importing, the production of consumer goods and services, concern for the cultural, educational, and scientific-technical activities, the implementation of the collective mastership right of the people at the basic level, the good implementation of the security and national defense work, and resolutely punishing the reactionaries.

The lively realities of the city have contributed to the formation of a number of timely policies of the Party Central Committee and the Council of Ministers within the common line.

Resolution 01/QN-TW of the Political Bureau in September 1982 evaluated the accomplishments of the municipal party organization as follows: "The party organization of Ho Chi Minh City operates under very difficult and complicated circumstances. Under those conditions, and under the leadership of the Party Central Committee and the government, the party organization, governmental administration, and people of Ho Chi Minh City have made strong efforts, continually progressed, worked while studying, and gradually matured in the actual situation, and have begun to transform the city and change it from a consumer city to a production city, from an economy that served the war and was completely dependent on foreign countries to an independent economy which serves the people and advances to socialism.

"In general, the city has retained its dynamism, responsiveness, and consciousness of effectiveness in production-commercial activities. Those are positive, very valuable factors which must be developed.

"Those accomplishments manifest the sense of responsibility and spirit of initiative of the municipal party committee and the party organization as a whole vis-a-vis the revolutionary undertaking in the city and the nation, and prove that the people of Ho Chi Minh City have always had a fine revolutionary tradition throughout the revolutionary periods and in the resistance wars against the imperialist aggressors, and are now confident and advancing, under the leadership of the party, in the enterprise of socialist transformation and construction.

"A very important factor in the attainment of those accomplishments in Ho Chi Minh City, in addition to the all-out efforts of the city itself, has been the positive assistance and increasingly closer coordination of the sectors and the other provinces and municipalities all over the nation."

Most precious of all, the municipal party committee has inherited all of the moral qualities of the previous periods, including the tradition of adhering

closely to the masses, going all-out for the benefit of the masses, and making mass proselytizing the principal operational method, even though the party organization is now in a ruling position. The municipal party committee still maintains the good practice of arranging for ordinary people to express opinions to the party and the governmental administration regarding the major and minor problems in the city. Thanks to those good points, under very difficult circumstances the party organization has guided the city's people in their advance. It has maintained close relations with the masses, i.e. with reality, and has always kept abreast of the situation. In general, the municipal party committee's working methods have been deep and close, and it has known how to concentrate on the hot points and to select and develop models. It has examined problems on the spot, resolved problems on the spot, encouraged the lower echelons and the masses to the lower echelons and the masses to manifest a sense of responsibility, and has not been overly rigid in the administrative system. Those are lessons learned by the municipal party committee regarding its guidance style.

It has made all-out efforts to rationally deploy in the city cadres from many different sources, develop the strong points of each type of cadre, pay special attention to training cadres who participated in the movements and are young and educated, and boldly assign tasks to such cadres. There have, of course, been deficiencies, but that is the direction followed by the municipal party committee in carrying out its cadre policy in recent years.

Solidarity in the municipal party committee on the basis of struggle and the implementation of democracy is another good point of the municipal party organization. Thanks to that good point, the municipal party committee has created a high degree of internal solidarity, served as a nucleus in achieving solidarity throughout the party organization, and given rise to revolutionary strength with which to attack on all fronts.

In addition to its basic good points, our party organization still has many important deficiencies, especially in the leadership and guidance of the municipal party committee. We have not yet enabled the entire party organization and the people to fully understand the socialist revolution and the complicated and decisive nature of the struggle between the two paths, between the enemy and ourselves. We have not yet firmly grasped the proletarian dictatorship on many fronts, especially on the transformation, construction, and distribution-circulation fronts, have not yet fully understood the position and responsibility of the city vis-a-vis the region and the nation, have not yet have sufficient theoretical knowledge to profoundly analyze the city's special characteristics, and have not yet promptly pointed out the contradictions that have arisen in the developmental process of the city--a part of the whole--and taken truly correct steps to resolve them. To say that the party must be strong politically, ideologically, and organizationally is above all to say that the ability of the party organization to understand and concretize the lines of the party and the ability of the party organization, the governmental organization, and the mass organizations in the city to organize implementation, and mature along with the maturation of the city and the movement.

The rather large number of deficiencies of the city's movement and party organization during the past 10 years have at the same time been deficiencies of the municipal party committee. In that common responsibility, the municipal party committee realizes that in the sphere of its implementation guidance it has not correctly evaluated the complicated difficulties in the city's management, and has committed both the error of leftist infantilism and rightism. Since the issuance of Resolution No 6 of the Party Central Committee, the municipal party committee has made a number of accomplishments in economic-social management, but it has committed errors, such as relaxing the transformation of private capitalist industry and commerce, and not tightly managing exporting-importing.

While stressing economic leadership, the municipal party committee has not yet taken effective steps to rectify the ideological and party organization tasks and the culture-arts task, or strengthened the internal affairs functional organs. A number of municipal-level and precinct-level units and organs are ineffective, and in some places there are many negative phenomena, but the municipal party committee has not yet resolutely investigated and rectified them. The municipal party organization is aware that the city's apparatus is too cumbersome, but has not solved the problem.

The above are a few of the many deficiencies of the municipal party committee. It has corrected some of them and is correcting others, although not easily or rapidly. It also clearly realizes that it has the duty of going all-out to end those deficiencies and other deficiencies it may run up against in the future.

V

Political Bureau Resolution 01 on the work of Ho Chi Minh City affirmed that "With especially favorable objective conditions which no other province or municipality in the country could have, Ho Chi Minh City has very good prospects with regard to the development of industry, exports, tourism, and international services, and is capable of, along with the other provinces in the region, quickly forming an industrial-agricultural economic structure that is closely tied in with the economies of foreign countries, and of contributing to the economic development of our nation."

The course of development for the city between now and the end of the century--15 years in the future--will be, according to comrade Le Duan, "To endeavor to become a prosperous, civilized, important city in Southeast Asia." It is closely related to the future development of the entire nation. We cannot yet delineate the detailed future of the city by the year 2000, but we can see some of the main prospects, due to the effects of a whole series of changes around the city: the Vung Tau-Con Dao oil and gas industry will transform areas in the outskirts of the city into an oil-and-gas industrial zone, including the petrochemical industry and the related sectors; energy resources will be notably strengthened by the Dong Nai River hydroelectric system, beginning with the Tri an, Thac Mo, and other plants; the railroad running the length of Vietnam will be repaired and extended; the development of the Lam Dong bauxite deposits will be accompanied by the development of the aluminum, fertilizer production, and other industries. With regard to

agriculture, in addition to increasing grain output the region will have specialized industrial crop growing, livestock raising, and aquatic products areas, all of which will be developed on a large scale, which will require a high-level machinery industry system and an industry to process and refine rubber, oil-bearing crops, jute, copra, fruit, seafood, meat, etc., as well as the developments of construction materials, electronics, and pharmaceuticals industries and of many other kinds of industrial crops.

That process will affect the city, even during the construction phase, during which the city will contribute labor, science and technology, and will provide assistance with regard to the production of production means, consumer goods, construction, and the other activities, related to warehousing, transportation, exporting-importing, packaging, services, etc.

The city itself is also faced with a major requirement: the population in the city proper will increase considerably--it is estimated that by the end of the century the city's population within its present boundaries will increase to 6 million and the city will expand to the city of Bien Hoa. The rural districts, including Duyen Hai, Binh Chanh, Nha Be, and Cu Chi, will become urbanized and will need housing, roads, travel facilities, and public welfare installations.

Thus Ho Chi Minh City will develop into an all-around industrial city with heavy industry and light industry, in accord with the law of economic development in many countries: the decisive factor in the formation of an all-around industry is not principally because a place has raw materials. In the Ho Chi Minh City area there are concentrated many favorable factors, such as the city begin a commercial center, having a favorable water and air transportation system, and being situated in an area with rich natural resource, from oil, gas, and bauxite ore to biological resources.

During the coming period, with regard to history the city will have to reorganize production in accordance with a unified plan in the city, including the Bien Hoa industrial zone, by economic-technical sector, to ensure the rate of development of production in each phase of the 5-year plan, with the goals of creating a rational economic structure and developing industrial potential, especially in the machinery, chemicals, electronics, construction materials, consumer goods, and export goods, which are strengths of the city, in order to effectively serve agricultural, forestry, and fishing production throughout the region.

In addition to the entirely new installations, such as the refining and petrochemical industries, and the Group A industries in the city which produce motors, machine tools, cultivation machinery, facilities to catch aquatic products, exploit wood, and process agricultural, forestry, and aquatic products, transportation facilities, replacement parts, fertilizer, and pesticides, and the promotion of the electronics industry. The city must ensure the construction of machinery clusters in areas around the city and in the provinces and districts of the South. Therefore, we must be concerned with in-depth development in order to fully utilize the existing capacity, and strengthen and develop the machinery sector so that the city can have a machinery-building sector and advance to producing production lines and

complete factories, and ensuring that the city becomes a repair center for foreign ships visiting the region. There must be coordination with the national defense industry, to ensure the fulfillment of quartermaster and other national defense needs. We must improve the effectiveness of assisted projects, such as the tropicalization sector, the environmental research sector, the meteorology-hydrology sector, and the communications sector.

The Group B industries will promote the production of consumer goods and processing to serve the masses in a practical manner, especially with regard to food, clothing, travel, study, medical treatment, household goods, and other aspects; create a fund of exchange goods to serve economic alliances with the provinces; and promote exporting in order to import materials, equipment, parts, etc., to serve industrial-agricultural production in the city and in the region. Thus we are building a worker-peasant alliance, as called for by the party's economic development line: "priority to the rational development of heavy industry on the basis of promoting the development of agriculture and light industry," while at the same time gradually forming an industrial-agricultural structure in the city and the region.

Capital construction will have the goal of fulfilling those industrial development requirements, with emphasis on in-depth investment to complete and expand the development and use of the existing installations. We will positively implement the slogan "the central, local, and basic levels, and the people, work together," including Vietnamese living abroad, in order to have additional sources of construction capital in the city, and will give priority to the key projects.

In heavy industry, appropriate investment will be made in the machine tools sector and in the sectors directly related to the development of agriculture, light industry, processing industry, and the communications-transportation sector. We will rapidly complete the intermediate projects that can be brought into production with economic efficiency, and the projects extending into the next 5-year plan. Furthermore, in capital construction it is necessary to set aside sufficient capital to repair old housing, build new housing, and construct infrastructure projects, cultural projects, and public welfare projects, which are in accord with the plan to develop the city as both an industrial and scientific-technical city and as center of tourism and international trade.

In communications and transportation, there is a plan to gradually change the transportation structure in and around the city. We will replan the routes and bus stations in and around the cities and the interprovincial routes, while also rationally reorganizing the truck depots. We will expand the maritime port system (including central and municipal facilities), the river port system, and the warehouse system, and improve the cargo-handling capabilities, accompanied by a plan to dredge channels in order to exchange water-borne transportation and improve the environment and attractiveness of the city. We will promote commercial activities at Tan Son Nhat airport by expanding international flights and tourism (both domestic and foreign), in order to create sources of capital to upgrade that important material-

technical base and contribute to the accumulation of appropriate funds for the state and foreign exchange.

There must be adequate investment in the communications-postal system. We will upgrade the cable lines and long-distance exchange in order to effectively serve the economic alliances between the city and the provinces and to serve international trade. We must ensure civilized and uninterrupted communications under all circumstances, and develop the postal network in a balanced manner.

There must be more active plans for the city's industry, science, and technology to serve the development of agricultural, forestry, and fishing production outside the city and in the provinces. We must rapidly develop the areas in the hinterland and outskirts of the city in order to quickly create food, livestock, and industrial crop belts and contribute to providing raw materials for industrial, small industry, and handicraft production, and to create additional sources of fresh food for the people's city. Attention will be paid to concentrated and complete investment in the specialized and high-yield intensive cultivation areas, especially with regard to crops and livestock with high economic and export value. We will continue to develop the seedstock centers and continue to promote the construction of centers to research, experiment with, select, and improve high-yield seedstock and breeding stock. We will promote the raising and catching of aquatic products and continue the afforestation movement in order to improve the environment, combined with the formation of tourist and recreational areas around the city, and to create additional sources of fuel and construction materials. We will develop the small industry-handicrafts production and processing sectors, provide jobs, and increase the average number of work-days per year and the incomes of rural areas and handicraft workers in rural areas.

The city's science and technology must serve the above line of developing industry, agriculture, forestry, and fishing, combine basic scientific research with the application of scientific-technical advances to production, life, security, and national defense, with emphasis on application, develop the decisive role of social science, strengthen scientific-technical cooperation and the exchange of scientific-technical information in our country and abroad, ensure that estimates of prospects be scientifically based and that basic studies be increasingly deep and accurate, to create a basis for long-range, medium-range, and short-range economic planning.

In the distribution-circulation sector, we will promote economic alliances with the provinces and with Laos and Cambodia, and by means of industrial processing in the city create a large, stable export business, with a rich, varied product line of increasingly higher quality, in order to meet the tastes of the international markets. Furthermore, we will step up research to expand our markets, while at the same time cooperating in production and processing, especially with Cambodia, Laos, the Soviet Union, and the other fraternal socialist countries, which are the strategic export-import markets. We will positively carry out studies and surveys on expanding trade with Asian, European, African, and Latin American nations.

With regard to commerce, we must continue to consolidate and rapidly develop the socialist commercial system and, along with the provinces, create a unified regional market (the municipal market and the provincial markets are parts of the unified national market). Therefore, there must be close cooperation in carrying out socialist transformation in the sector. We must quickly complete that transformation, ensure that the socialist economic system in the city and the provinces completely controls wholesaling and controls most retailing and services, rapidly stabilize and master the market, and establish a new social order on the distribution-circulation front, in accordance with the schedule and course set by the resolutions of the central and municipal echelons. We will form many commercial centers in the city with personnel who have socialist civility and courtesy to serve production in a timely manner and facilitate shopping by the people.

Furthermore, the city must urgently expand tourist activities for foreign guests and develop internal tourism, consolidate and expand ships' chandler services and the repair of foreign ships and promote remittances by Vietnamese abroad to increase our foreign exchange earnings.

The material and spiritual living conditions of the next few years will depend on the level of production and science and technology, on the rate of completion of socialist transformation, on the improvement of the new production relations, on the establishment of the new management structure, and on the defeat of the enemy's multi-faceted war of destruction in the city and nationwide. No matter what, the material and spiritual lives of the city's people, including those in rural areas, must be improved every year, along with the resolute regulating of excessive disparities to ensure social justice. The city will build college centers, overcome the lack of schools, expand the public health network, complete the scientific-technical centers, build a theater system, renovate the movie theaters, and build a large number of parks, cultural centers, day-care centers, and athletic fields.

In outline form, we can see the city's prospects during future years. Of course, the progress of the process of expanding the city, although depending on capital and materials, depends even more on the renovation of the viewpoints, and management mechanism and structure, of the municipal party committee, the people's committee, and the city's entire dictatorship apparatus, along with the revolution of the state policy and management organs.

During the past 10 years, for the first time in history the people and the party organization have become the masters of the city's destiny. The successes, and lack of success, of the party, as the parts and chapters of this book have endeavored to explain, are not the most decisive factors. A success, no matter how great, is only an initial step in the mission of developing the city, and since the future is an eternity, a success by the city is like a grain of sand. Its many missteps are easily seen as being comparable to those of young students shouldering responsibilities beyond their abilities. Comrade Nguyen Van Cu, at that time our party's General Secretary, who wrote the book "Self-Criticism," openly brought out the party's deficiencies during the high tide of the popular front in the 1935-1939

period. The most decisive matter is whether or not we can criticize ourselves.

At any rate, to acknowledge objective reasons is easier than dissecting subjective reasons and criticizing the upper echelon, and at any rate talking about things in the past is easier than dissecting things we are now doing. We all know that, so we must be on guard. A distortion which the party organization must strictly guard against is the disease of self-satisfaction, the disease of holding out our chests and bragging about accomplishments. Such things only diminish us and are certain to harm our common cause.

The city's responsibility is very great, and the party organization clearly understands its weaknesses. The strengths of the party organization are the revolutionary masses, a mature working class, the creative minds of the people of an industrial city, the ties between the city and the rest of the nation, the glorious tradition of the party organization, the lines of the party, and the resolutions and guidance of the party Central Committee. The party organization's weakness is that it does not yet have sufficient consciousness to fully develop those strengths.

During the past 10 years, our good points and deficiencies have revolved around the matter of grasping and applying laws. Therefore, if we want to solidly promote the great undertaking of building the city, we must fully understand the contents of the speech by General Secretary Le Duan at the sixth plenum of the Party Central Committee (3 July 1964): "Advancing our country's economy from small-scale production to large-scale socialist production without passing through the phase of capitalist development in something that has never happened in history but is a necessity of the new era. The process of development from small-scale production to large-scale socialist production is posing a whole series of theoretical and practical problems which must be resolved, including the full understanding of the revolutionary line and economic line, bringing into play the motive force of the development and strengthening of state management, raising the level of organization, and launching a mass movement. We cannot successfully manage the economy if we do not advance to using the sharpest theoretical weapons of the era: the methods of dialectical materialism and historical materialism. Our party must equip cadres and party members with deep understanding of theory and practice, and train a corps of leadership cadres and management cadres who have correct economic thought, i.e. who firmly grasp and correctly apply the economic laws and matters of a law-like nature of the socialist revolution in our country."

Thus a lesson during 10 years of struggle is that the rate of development of socialism depends on the grasping and application of the objective laws in the initial phase of the period of transition of that development in a city that is situated in a region with many characteristics, against the background of our country frugally industrializing, with many internal and external difficulties. The rate of socialist construction also depends on the enthusiasm and revolutionary purity of the party organization. With that intellect and enthusiasm, we must give rise to an offensive spirit on the part of the working class, the peasants, the intellectuals, and the broad masses in the city, and make youths the assault force.

It is necessary to realize that the vital force of the city consists of the operations of the economic-social laws of an industrial city added to the revolutionary nature of the masses, and all forms of inertia are unacceptable. If the party organization cannot keep abreast of the city's advance, contradictions will immediately arise, so the study and application of economic-social laws in the city play a very important role. At present, the concept of "revolution" in the city must be harmony between intellect and enthusiasm, and to stress one over the other is to be one-sided.

The lessons we have learned will continue to be valid during the coming phase. Equipped with the experiences of the past 10 years, under the care and guidance of the Central Committee we are confident in the future of the city that was called Saigon-Cho Lon-Gia Dinh in the past and is now, and will forever be, the glorious Ho Chi Minh City, one of your country's industrial centers.

Although defeated, the U.S. imperialists and their lackeys still harbor many aspirations toward our country via their aspirations with regard to our city, as reflected in their post-war plan, which is supported by the Beijing gang. The enemy have always been very obstinate. They not only hope that we will collapse but have jumped in to cause trouble. But they have been, and will continue to be, completely defeated. The multi-faceted war of destruction waged by the enemy will be waged for long time and is will be complicated. The most effective, most basic way to fight that war is to urgently accelerate the city's rate of advance. We will defeat all kinds of enemies by firmly grasping the proletarian dictatorship, especially in the city, by means of steadily improving the people's living conditions and by means of a party organization that is dynamic, continually uncovers new factors in the actual situation, continually remains in close touch with the masses, is pure with regard to moral quality, and has the complete trust and love of the masses.

That is an extremely noble and very difficult undertaking, but it is not beyond the reach of the communists and working people of the city, with the assistance of the entire nation.

Hastiness, subjectivism, and voluntarism are mistakes. Losing our offensive will, being timid in struggle, and passivity are also mistakes. We oppose both a superiority complex and an inferiority complex, two aspects of the disease of being remote from reality and from the thought of the party.

It is not surprising that the nation's people and the Central Committee have bestowed on the city the name "Ho Chi Minh," the greatest of honors. From this city, 74 years ago, Uncle Ho left to find a way to save the nation. In the early 1920's, he returned to Vietnam to spread Marxism-Leninism and the lines and methods of organizing the masses to carry out revolutionary struggle. In this city, the first pupils of Uncle Ho gave rise to the revolutionary movement. He closely monitored the movement and shared the happiness and sorrow of our comrades and people in the dress rehearsals for the revolution: the democratic high tide in the 1935-1939 period and the Nam Ky uprising. He reserved all of his affection for Nam Bo and Saigon throughout the two resistance wars. Saigon was always in the forefront and

was awarded the title "Bastion of the Fatherland" by Uncle Ho. Every year, in his Tet poems, he referred to that sorrowful and heroic place. "Nam Bo is the blood in Vietnamese blood and the flesh of Vietnamese flesh," and "Nam Bo is always in my heart." Uncle Ho felt unlimited affection for the city and Nam Bo. Before he passed away, Uncle Ho felt overflowing sentiment and limitless love for the South. We may say that his greatest sorrow was that he was not able to visit the South, Nam Bo, and the city.

In giving the city the name Ho Chi Minh, the people of the entire nation and the Central Committee corresponded to his aspiration. The city's past is worthy of that great honor. In the future the city will be even more worthy of that high honor. Its accomplishments during the past 10 years have been closely bound to the inspiration provided by the name which the city's people will always regard as its soul, and to the city's obligation of further embellishing the name of our nation's greatest leader.

We are still facing many problems. But the course of the past 10 years and their lessons allow the party organization, the working class, the peasant class, scientific and scientific-technical circles, youths, troops, men and women, and all strata of the people to believe strongly in the brilliant future of Saigon-Cho Lon-Gia Dinh--now Ho Chi Minh City--which is a source of pride of the Central Committee and the entire nation.

Spring 1985
Nguyen Van Linh

Speech by Chairman Truong Chinh
to Cadres of Ho Chi Minh City
22 January 1985

Dear Comrades,

I am very pleased to have the opportunity to visit the city bearing the name of Uncle Ho, and to meet with you and the people in happy circumstances of our nation's traditional Tet, in a bustling atmosphere of the city's cadre and people competing to achieve accomplishments to celebrate the 10th anniversary of the liberation of the South and the other anniversaries this year.

In the long struggle to win national independence, the cadres and people of the South, including the cadres and people of the city of Saigon, heroically endured hardships and sacrifices, stood firmly on the front line, were "the first to go and the last to return," and contributed importantly to the glorious victories of the nation.

Throughout that process of struggle, Saigon has always been an area with a seething revolutionary spirit. From that city, our beloved Uncle Ho set out to find a way to save the nation. In this city Uncle Ton launched a struggle movement of the working class when the Vietnamese revolution was still in the embryo stage. The city is a place of activity of headquarters of the party and of many leadership cadres in the revolutionary periods, some of whom gave their lives.

During the anti-U.S. resistance war for national salvation Saigon was famous for activities which combined political struggle with armed struggle, for the revolutionary movement among the workers and peasants outside the city, youths and among high school students, college students, women, soldiers, and intellectuals, for thunderous struggle demonstrations which won the admiration of the people and the world, and for the extremely bold and clever activities of the commandos. Ultimately, the offensive and simultaneous uprisings, and the three offensive prongs, disintegrated the puppet army and administration and, along with the entire population and the entire army, ended the war and won complete victory in the anti-U.S. resistance war for national salvation.

In the course of the struggles, such famous places, such as Ben Nha Rong, the Ba Son factory, Cu Chi, Hoc Mon, and Ba Diem, and such famous people, such as Nguyen Van Cu, Nguyen Thi Minh Khai, Phan Dang Luu, Vo Van Tan, Tran Van On, Nguyen Van Troi, etc., have become part of the nation's revolutionary history. Our fatherland and people will always remember the great merit of the cadres, party members, soldiers, and people of the city who have heroically sacrificed for the cause of liberating the South and unifying the nation. For its illustrious examples of sacrifice and glorious feats of arms, the city has received the honor of bearing the name of the great President Ho Chi Minh.

On this occasion, I would like to convey to you, and via you to the families of war dead, the families with merit toward the revolution, the revolutionary

comrades advanced in years, the disabled and ill soldiers, old people, youths, teenagers, and children, and all cadres, soldiers, and people of the city the enthusiastic congratulations and warm greetings of the Party central Committee, the Council of State, and the Council of Ministers.

Dear comrades,

During the past few days I have listened to reports on the city by the standing committee of the municipal party committee and have visited a number of basic units in and around the city. In the course of those visits and that work I have clearly seen that the municipal party organization has created a seething revolutionary movement of the masses, strengthened the struggle will of the city's cadres, party members, and people, endeavored to overcome difficulties, and achieved many brilliant accomplishments.

At the same time, my present visit to the city and by visits to other localities during the recent period have helped me to clearly understand the actual situation of the nation, and on that basis to think about some common problems to benefit contributions to the leadership of the Party Central Committee.

Since the liberation, under the leadership of the Party Central Committee and the guidance of the Council of Ministers, the party organization, governmental administration, and people of Ho Chi Minh City have struggled ceaselessly and brought into play the socialist collective mastership right of the working people in the city, in the rural areas outside the city, and in the precincts, districts, subprecincts, and villages. The party organization, governmental administration, and people of the city have endeavored to transform the city from a reactionary political center of the imperialists and their lackeys into a socialist political, economic, and cultural center of the South, and transform an economy that served the war of aggression and was completely dependent on foreign countries into one that is independent and autonomous, and serves the lives of the people, national defense, and the construction of socialism. They have gradually transformed and developed Saigon from a city of consumption and pleasure-seeking into a production city, an industrial city which has important effects regionally and nationally.

During the past 10 years, especially since the issuance on 14 September 1982 of Political Bureau Resolution 01 on the city's work, the party organization and people of the city have advanced strongly, developed their good points, overcome their deficiencies, creatively applied the resolutions of the party to the circumstances of the city, and guided the economy so that it advances in the right direction and develops more and more solidly.

After overcoming initial missteps, the city's socialist transformation work has, in general, proceeded in the right direction, especially since the issuance on 13 September 1983 of Political Bureau Resolution No. 14 on the situation and missions of the socialist transformation of private industry and commerce. The city found and boldly applied flexible forms and appropriate steps, tied in transformation with the reorganization of the sectors and products, reorganized the market system, applied the slogan "closely combine transformation with construction and emphasize construction," closely combine

the transformation and construction of industry with the transformation and construction of agriculture, and combined transformation and construction in the sphere of production with transformation and construction in the sphere of distribution and circulation. It has created the model of combining production with distribution, circulation, exporting, and importing.

The city has developed its strengths, maintained and developed industrial production, especially small industry and handicrafts production, at an increasingly higher rate, created jobs for tens of thousands of workers, and made progress in stabilizing the living conditions of the workers, civil servants, members of the armed forces, and people in the city. It has correctly assessed the strategic importance of exporting-importing, taken the initiative in seeking all ways to rapidly increase exports and imports by the localities, and positively served production and life. It has promoted alliances and joint operations with the provinces in the region and the central provinces, and expanded them to Hanoi and some of the provinces along the northern border, and has contributed positively to promoting production and distribution. It has exploited all capabilities and fully utilized scrap materials to produce consumer goods.

In addition to maintaining and developing industry, the city has paid attention to setting aside adequate investment capital for the transformation of agriculture, the development of agricultural production, and the construction of a new countryside. Agricultural production has developed solidly and comprehensively, food belts have been created, grain has been provided to meet the needs of the industrial zone and part of the needs of animal husbandry, the infrastructure has been positively constructed, and the areas devastated during the war have been transformed into rural areas in which production develops and in which living conditions have been stabilized and improved.

In distribution and circulation, the city has used its existing material bases and both concentrated on developing state commerce and paid attention to developing cooperative commerce down to the subprecincts and villages. It has transformed and expanded joint commercial activities and the business of the retail and service sectors, and organized a retail network based on residential areas. In some places goods have been taken to the families and the strength of socialist commerce has been brought into play in order to gradually control the market, and commerce has been tied in with real service to the lives of the people. The city has also used the modes of tying in commerce with production, forming alliances and joint operations, and investing in the production installations to create sources of goods, take the initiative in controlling goods, and create increasingly larger commodity funds.

In past years, especially during the past several years, there have arisen many advanced models in all spheres and areas, especially in the production and distribution-circulation sectors, with new, dynamic, and creative working methods and efforts to increase productivity and efficiency.

In addition to the economic accomplishments, despite many difficulties and complications the city has endeavored to maintain political security and

social order and safety, to consolidate national defense, and to contribute worthily to the struggle to defend the Fatherland on our country's southwestern border and aid the border provinces in the North. Notable results have been attained in the cultural, educational, and sports tasks and in the task of overcoming social evils.

The city has paid increasingly greater attention to building the party, strengthening and consolidating the governmental administration, promoting the Front work and the work of the mass organizations, and enabling the city's situation to become increasingly stable and to develop solidly.

Those accomplishments affirm the maturation of the city's party organization, which in recent years has continually been improved, and has trained many cadres who are capable, dare to think and do, dare accept responsibility, take pains to study, develop the good points, and correct deficiencies in the course of their work. Those accomplishments prove the fine tradition, patriotism, indomitable will, dynamism, and creativity of the city's party organization and working people.

On behalf of the Party Central Committee, the Council of State, and the Council of Ministers, I warmly applaud and praise the accomplishments of the city's party organization, armed forces, and people, who have always manifested revolutionary heroism throughout all periods of our country's revolution, from the period prior to the August Revolution and the periods of the anti-French and anti-U.S. resistance wars to the present period of socialist transformation and the building and defense of the socialist Fatherland, and are making important contributions to our country's revolutionary cause and fulfilling well their international missions.

Dear comrades,

The year 1985 is the last year of the Third 5-Year Plan. It has an important significance and poses for us very difficult but very glorious missions. The people of the entire nation are enthusiastically competing to achieve accomplishments to celebrate the major holidays: the 55th anniversary of the founding of the party, the 40th anniversary of the founding of the Democratic Republic of Vietnam, the 95th birthday of Uncle Ho, and the 10th anniversary of the liberation of the South. In 1985 we must endeavor to fulfill the state plan, meet the goals set by the Fifth Party Congress, and at the same time urgently draft the fourth 5-year plan (1986-1990) and prepare for the Sixth Party Congress.

In order to fulfill those difficult missions, the party organization, armed forces, and people of Ho Chi Minh City must carry out the following tasks well:

1. First of all, they must more fully and deeply understand the position and characteristics of Ho Chi Minh City, as called for by Political Bureau Resolution 01, and on that basis continue to apply the party's resolutions correctly and creatively, in a manner appropriate to the city's specific conditions.

It is necessary to develop the strengths of the city with regard to production capabilities, including the existing material-technical bases, the corps of industrial workers and skilled handicraft workers, and large capable scientific-technical forces. The city must endeavor to strongly develop its industrial, small industry, and handicraft production, and more fully develop its potential in order to produce increasingly larger quantities of goods to serve consumption and exports. It must develop the sectors and trades, expand the service network, create many jobs, employ more workers, and produce much wealth for society. It must endeavor to continually increase the productivity, quality, and effectiveness of production and commerce, while also endeavoring to develop agriculture and using its industrial strengths to affect agriculture and vice versa. We must create a rich and strong socialist countryside and form at an early date a rational industrial-agricultural structure in the city.

Under the unified management of the Central Committee, it is necessary to promote joint operations and allowances between the city and the localities, develop all capabilities, develop the strengths of the entire region, meet part of the needs of the Mekong Delta, eastern Nam Bo, the Central Highlands, and the nation, and contribute to creating extensive and close economic relations among the regions, provinces, and municipalities all over the nation, so that they can supplement one another and help one another develop.

2. It is necessary to fully understand and do a good job of implementing the resolutions of the sixth and seventh plenums of the Party Central Committee, resolutely abandon bureaucratism and subsidies, and change over completely to socialist commercial accounting. We must truly expand the right of basic units to take the initiative in production and commerce and clearly determine their responsibilities, and strongly develop the collective mastership right of the working people and the initiative, creativity, and all capabilities of the basic units. We must urgently create a new management mechanism, one that is appropriate to the requirements of that transformation. Only by doing so can we have conditions for truly developing production and restoring order in distribution and circulation, strengthen management, control the market, and win victory for socialism. In the fierce struggle between the socialist and capitalist paths, we must make use of economic, political, educational, ideological, administrative, legal, and organization-cadre measures, but economic measures must be the main concern.

The struggle against bureaucratism and subsidies is not simple, but is very complicated, for it demands that we must struggle with ourselves, struggle within the ranks of the cadres and party members, and struggle between the new and the old and between the progressive and the backward. We must resolutely abandon customary viewpoints, ways of thinking, and working methods which are no longer appropriate.

The evils of bureaucratism and subsidies are impeding production and commerce, causing losses of goods and money, giving rise to much negativism, and greatly harming the interests of our nation. We have no other way than to resolutely overcome those evils at any cost!

In that struggle, our party and people are certain to mature further, and our country's economic-social situation will advance strongly and solidly.

While seeking and establishing a new mechanism that is appropriate to the requirement of changing over to socialist accounting and commerce, new problems are certain to arise, and there may even be mistakes and deficiencies. But we must not retreat because of difficulties, obstacles, and fear of deficiencies. We must promptly stop liberalism, disorganization, and indiscipline, be on guard against partialism and individualism, and overcome the situation of abusing authority in order to commit illegal acts, pursue personal profit, etc.

On the basis of your actual experience, during the past several years, you have gone all-out to study and to think boldly. Although at times there have been deficiencies, essentially you have worked in accordance with the lines and policies of the party. We must not be subjective and self-satisfied toward the accomplishments we have made, but must bring into play into an even greater degree our responsiveness and dynamism, strengthen our sense of responsibility, and contribute worthily to establishing a new management mechanism in our country's economy.

3. Promoting the socialist transformation of industry, commerce, small industry, handicrafts, and agriculture, is a large and complicated mission. In view of the city's conditions and characteristics, the socialist transformation work is even more difficult. From that difficult and complicated situation, you have learned many valuable lessons, and have therefor guided the city's socialist transformation in the right direction.

Lenin said that during the period of transition it is necessary to apply transitional measures. That is entirely in accord with our country's present situation and that of Ho Chi Minh City, especially under the condition of our city still being in the initial phase of that period. We must truly utilize the five economic components, in accordance with the spirit of Resolution 01. They must be boldly utilized so that they can be transformed and must be transformed so that they can be better utilized.

In the process of implementing the resolutions of the Central Committee and the government regarding socialist transformation, you have demonstrated dynamism and creativity, sought appropriate forms and measures, and gradually strengthened management, mastered the market, and controlled goods and money in the production, circulation, and service spheres, especially with regard to important and essential goods. We must carry out experiments, preliminary recapitulations, and final recapitulations, and expand the good models. Lively reality will help us continue to think about and find other rich forms and create economic-social organizational models that are appropriate to the present conditions of our nation and city. We must carry out the work of socialist transformation with a positive, firm, and urgent spirit, but not be hasty or formalistic, and not pursue accomplishments but stress the actual situation and effectiveness.

4. In addition to winning victory on the economic front, the city must strengthen its ideological and cultural work, implement well the lines of the party, and simultaneously carry out the three revolutions (the revolution in production relations, the scientific-technical revolution, and the ideological-cultural revolution). At the same time, we must continually strengthen and consolidate national defense maintain political security and social order and safety, and fulfill its obligation of being the nation's great rear area.

In the multi-faceted war of destruction waged by the Chinese expansionists and hegemonists in league with the U.S. imperialists, Ho Chi Minh City is a key area they have selected for comprehensively attacking our country's revolution. The city's party organization, soldiers, and people cannot let down their guard for even a minute, but must always be vigilant and resolutely smash all sabotage plots of the enemy and promptly uncover and strictly punish the spies and reactionaries, effectively oppose their psychological warfare, struggle resolutely against all illegal acts and social evils, eliminate all influence of reactionary, decadent, and backward culture, create a new culture, a new way of life, and the new socialist man, and build a city that is stable politically, strong with regard to national defense, rich economically, and has a wholesome and civilized cultural life.

5. In order to ensure the victorious fulfillment of the city's political missions, matters of decisive importance are that the municipal party organization must be truly pure and strong at the basic level, the governmental administration, the Front, and the mass organizations must be consolidated, and a seething mass revolutionary movement must be launched.

It is necessary to build basic party units which are sufficiently strong to serve as leadership nuclei of the mass revolutionary movements in all subprecincts, villages, enterprises, state farms, cooperatives, production collectives, hospitals, schools, organs, etc. We must teach cadres and party members to have profound revolutionary consciousness, affirm the standpoints of the working class, strengthen revolutionary vigilance, oppose all influences of bourgeois thought and way of life, oppose individualism, overcome the vestiges of the feudal regime, oppose all negative manifestations and violations of socialist property, violations of labor discipline, decadence, degeneration, jealousy, status-seeking, factionalism, bureaucratism, arrogance, and bullying the masses, strengthen solidarity, strengthen their combativeness, forge revolutionary moral qualities, be stalwart in the face of all challenges, be exemplary in production and work, strictly observe party discipline and state laws, and set a good example for the popular masses.

The party organization and governmental administration at all levels must monitor the basic level more closely, strengthen their investigatory work, and guide and assist the basic units so that they can resolve difficulties and overcome problems.

We must pay all-out attention to training and building up the corps of cadres, in accordance with the requirement of renovating the management mechanism, create conditions for them to rapidly adapt to the new mechanism that is

taking form, and help them carry out well the responsibilities that are assigned them.

We must orient all activities of the Front and the mass organizations to serve in a practical manner the requirement of bringing about a new transformation in the management of production and commerce, which is a good experience of the city and must be recapitulated and expanded.

In the mass proselytizing work, it is necessary to use flexible forms to launch and maintain socialist emulation movements of the masses, and transform the revolutionary heroism of our people during the past resistance wars into revolutionary heroism in building socialism and defending the socialist fatherland today.

Dear comrades,

On the occasion of Tet, on behalf of the Party Central Committee, the Council of State, and the Council of Ministers, I sincerely wish the city's party organization, soldiers, and people a new year that is healthy and happy, and that they will achieve even greater accomplishments in production labor and other work, in combat and combat-readiness, in fulfilling the 1985 state plans, and in celebrating the major anniversaries during the year in a practical manner.

I hope that you, and the entire party and population, will unite closely around the Party Central Committee, headed by General Secretary Le Duan, and be determined to fulfill well the two strategic missions: building socialism and solidly defending the socialist Vietnamese fatherland.

I wish the older ones among you good health and long life!

I wish young people and children happiness, success in their studies, and good conduct, so that they will always be worthy of being good nephews and nieces of Uncle Ho!

I wish the city continuing efforts to always be worthy of being a city which bears the name of the great Uncle Ho!

Thank you.

END